The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

ARTICLES IN THIS ISSUE

The Japanese Attempt on Allenby's Life

General Bluecher Accuses Japan of Planning War on Soviets

Russian Preparedness in the Far East

Chinese Spend Too Much on Marriages and Funerals

Yen 881,000,000 Loan to Cover Manchurian Operations

What the Panchen Lama Told a French Newspaperman

"Family Limitation" in Shanghai

Japan Discusses Possible U. S.-Japan se Outbreak
(By the Review's Tokyo Correspondent)

Tsingtao Is Still Under Japanese Domination
. . . . . By C. Y. W. Meng

Mongolia and Russo-Japanese Conflict . By Harry Paxton Howard

Will "The Good Earth" be Filmed in China? . . . . . By Paul K. Whang

Japan's Demand for the Abolition of North China Kuomintangs---A Portent? . . By C. Y. Hsieh

Japan in Manchukuo . . . . . By H. F. Timperley

"Where Do You Go? Have You Your Ticket?"
. . . . . By Pearl S. Buck

SATURDAY, FEBRUARY 17, 1934 VOLUME 67, NUMBER 12

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Contents

Editorial Paragraphs

Chinese Spend Too Much on Marriages and Funerals 431
The Japanese Attempt on Allenby's Life..... 432
"Family Limitation" in Shanghai 432
Yen 881,000,000 Loan to Cover Manchurian Operations 435

Special Articles

Japan in Manchukuo .....By H. F. Timperley 438
Russian Preparedness in the Far East 440
General Bluecher Accuses Japan of Planning War on Soviets 441
Mongolia and Russo-Japanese Conflict ..... By Harry Paxton Howard 442
Japan Discusses Possible U. S.-Japanese Outbreak 445
Tsingtao Is Still Under Japanese Domination..... By C. Y. W. Meng 448
Will "The Good Earth" be Filmed in China? ... By Paul K. Whang 450
Japan's Demand for the Abolition of North China Kuomintangs—A Portent? .....By C. Y. Hsieh 452
"Where Do You Go? Have You Your Ticket?" ..... By Pearl S. Buck 454
What the Pauchen Lama Told a French Newspaperman 456
Who's Who in China..... 459
Men and Events 460
New Books of Interest in the Far East 462

CONTENTS OF PREVIOUS ISSUES OF THE CHINA WEEKLY REVIEW MAY BE FOUND IN THE "INTERNATIONAL INDEX TO PERIODICALS," COPIES OF WHICH ARE ON FILE IN MOST STANDARD LIBRARIES.

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Colorado Building, Washington, D. C.

CHINESE SPEND TOO MUCH ON MARRIAGES AND FUNERALS

MANY a bourgeois Chinese father and mother with marriageable children, when they read of an elopement in some Western land, cannot help but feel—particularly in these days of industrial depression—that that there is much to be said in favor of such a practice, particularly on the score of expense. A recent telegram from Singapore stated that a movement was on foot among the Chinese in the Straits to change the prevailing Chinese practice of spending huge sums in connection with marriage and funeral ceremonies, it being incidentally stated that sometimes families have been bankrupted by following the established custom. The simile of "cutting one's clothes in accordance with one's cloth" was used in this connection. What is true in Singapore is probably also true throughout China, and especially in Shanghai,—than which there is no place in the world where it is considered more necessary to put the best face possible towards the world, regardless of what privations in other directions such an attitude involves. We have not the least doubt that thousands of families in Shanghai will be ready to give the Singapore movement full support. The Chinese are, of course, not the only people who engage in lavish expenditure on the occasion of marriages or funerals. Among European people, we should say that the nearest approach to the Chinese custom is that followed by Italians. It so happens that in the city of New York the Italian quarter and the Chinese quarter adjoin each other, and the neighborhood of the old Five Points Park is an excellent vantage point from which to judge the relative splendor of Italian and Chinese corteges, particularly funerals. The Chinese colony clustered around Mott, Doyer and Pell street is, of course, a comparatively small one, as compared with the huge Italian colony which has Mulberry street as one of its chief thoroughfares. Workmen in nearby factories have been known to lay wagers as to whether the chief funeral cortege to wend its way down Mulberry street that day would be Italian or Chinese, the wager including a side bet as to which would have the most elaborate display. It may be an exaggeration to state that such displays incidental to birth (or baptism), marriage and death have cost more in many cases than the cost of maintaining their normal mundane existence, but there are probably instances where such a state of affairs is approached, particularly in the case of those who die at an early age. The Singapore movement is one that should receive the full support of Chinese everywhere, and, for that matter, the support of all nationalities where it is the custom to engage in lavish expenditure on the occasion of marriages or funerals. In connection with the latter, as other writers have already pointed out, it is not a question of the high cost of living, but the high cost of dying.

THE JAPANESE ATTEMPT ON ALLENBY'S LIFE

THE Japanese attempt on the life of Lord Allenby during his recent trip to the East is not wholly a mystery, in view of certain recent events in connection with the Dutch East Indies, involving both Great Britain and Japan. We have already referred editorially to the reported naval pact between Great Britain and the Netherlands, disclosed by the Brussels correspondent of the *Chicago Tribune* on January 18, by which the Dutch are placing their East Indies under the protection of the British Navy. It was this arrangement, evidently, that accounted for the otherwise quite inexplicable decision of the Dutch Government last month to cut its navy in half, at a time when it would appear they have need of all the defence forces they can muster.

We may recall, today, the grave apprehensions—apparently almost amounting to panic in some places—which seized the Dutch a year ago when it became clear that the Japanese were casting covetous eyes on the oil resources in the Dutch East Indies. There are big oil supplies there, and Japan needs oil. She endeavored, according to report at the time, to obtain concessions in Dutch New Guinea, offering in exchange a non-aggression pact,—i.e., a promise not to invade the Dutch islands. This thinly veiled threat was accompanied by a trip by the well-known Matsuoka to Holland "to convince the Netherlands government and nation of the completely peaceful intentions of Japan," but proposing that Dutch New Guinea "be opened to Japanese immigration," and that Holland and the Dutch East Indies "co-operate" with Japan. The Dutch East Indian authorities hastily mobilized the militia in Borneo "as a precautionary measure for the protection of the island's seaports," but the Japanese made no further moves at the time.

The Dutch East Indies are right in the Japanese path of imperial expansion, which already reaches to the Caroline and Pelow Islands, beyond which lie Dutch New Guinea and the rest of the East Indies. In connection with the islands held by Japan under a League mandate, it is of interest to recall Minister Hirota's statement last month that "under no circumstances" would they "be yielded up again to the League . . . The Allies had promised territorial gain to Japan by a secret treaty signed during the World War, and the ultimate session was made in mandate form merely to circumvent the opposition of President Wilson . . . The right of control of these tactically important naval bases was founded on what might be considered a permanent mandate which is in no way dependent on the League of Nations."

In such a situation, with the fertility and resources of the Dutch East Indies—a territory of over 700,000, square miles and some 53,000,000 inhabitants—protected only by the little Dutch Navy, wholly outclassed by the Japanese,—it is quite understandable that the Dutch should be desperately reaching out for assistance, even if it should mean the establishment of a British protectorate over the islands. Britain, at least, presumably has no intention of seizing the Dutch possessions, and the protectorate—for a naval pact between two countries as disparate in naval strength as Britain and Holland must be mainly in the nature of a protectorate—would probably involve not much more than Holland's willingness to follow Britain in foreign policy—in the East at any rate,—and perhaps in economic policy also.

It is in the light of these facts that the significance of the attempt on Lord Allenby's life becomes clearer. The Anglo-Dutch pact clearly thwarts Japanese ambitions in the direction of the Dutch East Indies. As soon as Allenby reached Java he was informed of the plot against his life, and promptly fled, taking a plane to Belawan in Sumatra (after making a fictitious booking from Batavia to throw would-be assassins off the track), and then taking steamer for home. *Reuter* at first did not care to say that the would-be killers were Japanese, simply saying none of them were Dutch. Allenby, however, when he was safely back in London, stated the nationality of the men. And, as noted, the attempt is not wholly a mystery, in view of what has occurred, and the prevalence in present-day Japan of the custom of political assassination. The motive, however, may not have been simply one of thwarted patriomania. It might have been a more reasoned thing,—an attempt to make the assassination appear as a Dutch crime, and thus create friction between Britain and Holland at this critical period of the new understanding between them.

The summary of the *Chicago Tribune* report which was wired out here last month implied that the Anglo-Dutch naval pact had already been concluded. A message from Paris February 11, however, quotes a *Le Matin* report to the effect that the visit of Dutch Prime Minister Colijn to London is for the purpose of discussing with the British Government the "eventual" formation of a naval defense league between the two countries, "concerning the Dutch Indies and the Singapore base." And an Amsterdam report informs us that Dr. Colijn is soon to fly to the Dutch East Indies "to study the actual problems of Netherlands East Indian policies." In any case, the fact that the Dutch Government has already decided to cut its navy in half indicates that the pact is already in existence, or so far established that its protection can be safely counted upon. And the Japanese attempt upon Lord Allenby, whether inspired simply by bloodthirsty patriomania or by shrewder considerations, was evidently directly connected with this.

"FAMILY LIMITATION" IN SHANGHAI

FOREIGNERS—and well-to-do Chinese—who cling to the idea that the masses of the Chinese people are so devoted to the ideal of numerous progeny that education in family limitation is hopeless, might do well to note a recent news item which attracted little editorial attention in our community: the fact that over 24,000 little babies were exposed on the streets of Shanghai last year by unhappy parents unable to provide for them. The average was about seventy per day. Seventy mothers daily approached the gates of death to give birth to unwanted children, babies for whom there was no room and no sustenance. The only method of family limitation these mothers knew was exposure of their surplus children.

Some Westerners look with smug superiority upon the Chinese, and upon what seems the "barbarity" of infanticide. The reason the superior attitude can be taken, however, is simply because we of the West have learned, in the last few generations, more civilized methods of family limitation. Infanticide, indeed, is barbarous in one sense. It is barbarous because it shows lack of modern scientific knowledge. It is barbarous as most of Europe was barbarous down to a couple of centuries ago, before science began the transformation of the world. Civilized Westerners do not expose their surplus children. They simply do not permit them to be born,—or, better yet, not even to be conceived.

There are two alternatives to this terrible practice of child murder. For it is a terrible practice. What must it mean to a mother who has gone through the agony of childbirth, to feel her child in her arms and know that she cannot feed it, cannot care for it, and must expose this helpless creature, her own flesh and blood, to the elements for a quick and merciful death? That this should be necessary is a fearful thing.

Of the immediate alternatives, one is that the destitute parents should endeavor to bring up the children,

should come down from their semi-starvation to a condition of chronic starvation, and raise the child in hunger and misery until it perishes after years of an unhappy existence, after taking food from the mouths of parents who themselves are reduced to a condition even more wretched than before. Or it may survive to swell the ranks of the weak, diseased, helpless and unemployable, or the unhappy victims and instruments of vice and crime.

That is one alternative. But it is hardly an improvement. Immediate exposure is far more merciful. There is, however, another alternative: prevention of conception. Some courageous Chinese and socially-minded foreigners have endeavored to teach such things in China, and have made headway in spite of the influence of hard and bigoted persons, native and foreign. Even many medical missionaries in the interior, faced with the terrible facts of over-population and infanticide, have given out information to thousands of parents asking for relief, caught between the upper millstone of terrible poverty and the nether one of taking the life of one's own children.

A conference on birth control, with special reference to the Far East, was recently held in Europe. There was not much to be optimistic about in the little that has been done in this direction in China, with the enormous magnitude of the task. Both Chinese and Japanese delegates were present, of course, and both had to speak of the difficulties put in their path by reactionary and inhumane persons in both countries. And this in spite of the fact that, in both countries, persons of the highest responsibility have pointed out the urgent necessity of birth control, and the dangers of the increasing population pressure. The Japanese Government some years ago appointed a committee on the population problem, which after long and careful study issued a report declaring limitation of population by public instruction in birth control to be a most urgent necessity for the nation. Nothing, however, was done by the government. The forces of reaction, which see in the blind fertility of the ignorant simply plentiful supplies of cannon-fodder and cheap labor, prevented any action.

Similar forces exist in China. It is striking to note that in this country the name of Dr. Sun Yat-sen, the "patron saint" of the Chinese National Revolution, is used by reactionary and bigoted elements to support them in their opposition to civilized limitation of population. Dr. Sun, however, when he trusted to his own observations and knowledge of conditions in his homeland, made no error, writing in 1894 in his open letter to Li Hung-chang:

> "At present China is already suffering from overpopulation which will bring impending danger in its wake. She is confronted with a great many hidden uprisings and frequent famines. It is extremely difficult for the populous masses to make a living even during good years, and in time of great drought and famine many people will starve to death. Our food problem is already very acute. The situation will be much worse as time goes on. If we take no timely means of remedy it will surely trouble us."

Later, under the unfortunate influence of Rockhill, who, whatever his ability as a diplomat, was quite absurd as a statistician, Dr. Sun included in his lectures on the *San Min Chu I* some remarks about China's population being stationary or on the decline. These remarks have been taken up and circulated by certain elements in China whose purposes they suit. But some reactionary elements find it convenient to disregard Dr. Sun's own conclusions of forty years ago, which have been borne out completely by recent social and statistical studiese made by Chinese and competent foreigners. Nothing whatever has been done, by a Government avowedly devoted to the realization of Dr. Sun's teachings, to face this most fundamental and vital problem of the nation Nothing is being done by the much-boasted Health Departments of the Shanghai Municipal Council, or the French Council, to spread the urgently necessary knowledge of birth control.

Yesterday, in Shanghai, a female "mill hand" gave birth to a child. Her husband is unemployed or dead. She herself is on part time, living on the scantiest of rations of rice and pickle, and is at this period losing days from her job because of this painful business of child-bearing. She cannot feed the little infant, flesh of her flesh, which nestles close to her. It must die—that she may live. And quietly she, or her husband, or someone else, slips out into the dark street or alleyway with a little parcel, covered close to stop the wails of the litt'e throat, and lays it there. In the morning it is picked up by the Shanghai Public Benevolent Society, and buried in its cemetery.

If yesterday was an average day, there were not one but seventy cases of this kind. Had seventy children been run down by trucks or blown to pieces by aerial bombs, it would be news. But this is too commonplace to be news. We only hear of it in the Benevolent Society's yearly report, which tells us briefly that in 1933 there were 24,338 dead bodies of little infants picked up on the streets of Shanghai. 10,661 of these were provided with free coffins before being given a little place in the Society's cemetery,—all they were ever given in this world where they were not wanted.

H. H.

China's Exports to U. S. A. for 1933 Show Large Increase

Exports from the whole of China to the United States during 1933 amounted to U.S.$34,242,179. or U.S.$7,947,327 more than the value of 1932 exports, according to statistics compiled by the American Consulate-General on a basis of consular invoices.

Except for five categories every line in China exports to the United States reported an increase during the year. The biggest increase in value of exports over that of last year was reported in the category of textiles, which climbed from the 1932 figures of U.S.$7,797,010 to U.S.$11,503,586 in 1933, a difference of U.S.$3.706.576.

The category of inedible animals and animal products which includes raw hides and skins, furs, and other animal products, leads in the totals, with the aggregated value placed at U.S.$11.707,070. The 1932 exports in that category were valued at U.S.$8,633,926.

With exports in textiles listed as the second biggest in value and reporting an increase of U.S.$3,706,576 over the 1932 figures, the articles grouped under "Inedible Vegetable Products except Fibers and wood" reported the third biggest value of U.S.$6,481,320. The value of 1932 exports in the same category was but U.S.$4,457,241.

Vegetable, food products and beverages came fourth in the list with an aggregated export value of U.S.$2,081,166. During 1932, the export value for products under this category was U.S.$1,851,300.

Exports in edible animal and animal products during the year amounted to U.S.$967,594 as compared with U.S.$1,405,024 in 1932.

The biggest drop in the value of exports as compared with figures of 1932 is recorded in the group under the name of "metals and manufactures, except machinery and vehicles." While the 1932 value of exports in that group was U.S.$1,255,-262, that of 1933 was but U.S.$702,720, or a decrease of U.S.$552,542.

The Wood and Paper group also reported an adverse return as compared with the 1932 figures. The value of 1933 exports in that category was U.S.$77,991 as compared with the 1932 values of U.S.$183,082.

The other groups and their values are; Non-metallic Minerals, U.S.$460,980 as against U.S.$194,292 in 1932: Machinery and Vehicles, U.S.$2453 as compared with U.S.$706 in 1932; Chemical and Related Products, U.S.$155,089 as against U.S.$432,798 in 1932.

Owing to the fact that there are some categories of exports for which export invoices are not required the above figures do not show the total amount of exports to the U.S.A. during the year.

American Far Eastern Trade Prospects

WHILE a complete report on American trade in the Far East in 1933 is not yet available, preliminary figures indicate that it has been, at least relative to that of other countries, very good,—probably as good as in 1932 when it accounted for approximately one-fifth of the total exports from the United States. But many tendencies indicate that prospects for the future are none too bright.

The bulk of American trade with the Far East is with China, the Manchurian area now held by the Japanese, Japan proper, and the Philippine Islands. The other Far Eastern areas are insignificant from the trading viewpoint. The future of American-Filipino trade relations depends largely on the outcome of the long drawn out moves and counter-moves to grant the Islands some form of independence; today they are, from the commercial viewpoint, practically a part of the United States. Presumably America's protective tariff policy should prevent any extensive competition with American trade there, but just recently it was reported that the present tariff is not high enough to keep out Japanese textiles,—and textiles are the largest single item in American exports to the Philippines. Japanese textiles are said to be more and more in evidence in the Philippine market, and the American producers are finding it hard to compete since their costs of manufacturing have slightly risen under the NRA banner. On the other hand, the principal Philippine exports to America—such as coconut products—are continuing to compete successfully with substitute products in the United States, which accounts for the fact that there has been considerably more agitation in American agricultural circles in recent years to free the Islands than there has been among the P. I. patriots themselves.

While Japan in recent years has bought more from the United States than China has, the balance of trade with Japan has not been as favorable from the American viewpoint as the balance of Sino-American trade. In 1932, in fact, the balance of American-Japanese trade amounted to only about a half million American dollars in favor of the United States while China bought more than twice as much from the United States as she exported to the United States. With the present boom in Japanese industry, combined with the devaluation of the yen to a far greater degree than the U.S. dollar has been devaluated and the high-pressure methods of salesmanship employed by Nippon, more and more Japanese products are hurdling the American tariff wall while fewer and fewer imports, at least of finished products, are required in Japan. On the other hand, the greater the expansion of Japanese industry, the more of certain kinds of raw materials—especially cotton and iron products,—she will need. Further, her heavy industries are not being developed in proportion to her light industries, and thus there will continue to be an excellent market in Japan for motor vehicles and other heavy machinery.

American prospects of supplying Japanese needs depend on several factors. In cotton, Japan is bargaining to buy the staple in areas which allow her to sell most freely her textile exports. Obviously, the U.S. cannot bargain on this basis, but neither can Great Britain to any appreciable extent. China cannot supply an adequate amount of high grade cotton for either herself of Japan. In consequence Japan is seeking to obtain cotton in remote places—Ethiopia, for example,—and if she should succeed in finding a supply on terms agreeable to her, as is to some extent likely, American cotton exports to Japan will suffer. But for the present, Japan has to depend to a great extent on British and or American sources, and there is no reason why America cannot at least hold her own with Great Britain in the competition.

Eventually, Japan will doubtless develop the iron resources of Manchuria to a sufficient extent that the demand for the American ore will decline, but some time will be required before the drop becomes appreciable. Crude oil is another raw material Japan needs in large quantities, and in this line the principal sources of supply are the United States, the U.S.S.R., Great Britain and the Dutch East Indies. Soviet competition here has been recently, and will continue to be, very keen, but the most important factor is the future course of Soviet-Japanese political relations.

In all kinds of heavy machinery, Germany is today offering probably the stiffest competition to the United States not only in the Japanese market, but also in the Chinese market. With the political stability and many other advantages that are now apparently assured to the German manufacturers by the Nazi regime, the United States may expect increasingly intense trade assaults by the Teutons.

Also in Manchuria, German competition is apt to become constantly more keen. Today the United States leads in non-Japanese exports to Manchuria, but the total amount is small since Nippon monopolizes about 90% of the trade. However, if the present development of the Manchurian area continues, there are many products which have already been indicated that Japan cannot supply—and in machinery, the principal competition is between Germany and the United States.

In China proper, the United States faces increasing competition from many countries, but in the past, when American trade has declined in one line it has increased in others until today it is ahead of both Japan and Great Brittin. Once, for example, in the beginning of the present century, half of America's exports to China consisted of cotton goods with kerosene next. In textiles, however, America was ousted by Great Britain which later was largely ousted by Japan. From 1912 to 1929 with the exception of two years (1918 and 1924), kerosene led in American exports to China, In 1918 and 1924, leaf tobacco was first. Beginning with 1930, cotton has been first, followed by kerosene, tobacco, wheat and flour. At the present, American cotton is not suffering from any serious competition in this country. Neither is American tobacco—which amounts to more than 90% of the total tobacco imported into China.

But kerosene faces tremendous competition. In Canton area, as recounted in these columns a few months ago, all imported kerosene has been driven from the market by Chinese refineries which are being given political assistance oy the Canton government. More widespread competition is being offered elsewhere by Soviet imports, which last year amounted to almost one-fourth of the total imports. Three years ago, Soviet imports in this line amounted to only a few million gallons. What will happen in the future remains to be seen, but in view of the fact that the Soviet Union has probably the largest oil reserves in the world and has recently developed efficient exploitation of them, it would be very surprising if Soviet kerosene imports do not continue to increase with the concurrent decline of both British and American kerosene imports.

American wheat and flour exports to China (that is, in extensive quantities) were largely a result of the 1931 flood, and so were temporary. Ordinarily, the United States cannot hope for large sales of these products in this country.

Motorcars, however, are a line of American goods which have been steadily on the increase in recent years and may be expected to increase, since no other country appears capable of manufacturing them as efficiently and cheaply as the United States. Nevertheless, the increase

in the number of motorcars in this country cannot be expected, in view of economic conditions, to be extensive—very few persons can afford them despite all the motor roads that may be built.

On the whole, therefore, the future prospects of American exports to China are not such as to inspire undue optimism. Discussing this subject some months ago, Ho Ping-yin, director of the Bureau of Foreign Trade of the Ministry of Industry of the Nanking Government, concluded that only in tobacco leaf and motorcars could America be expected to maintain her present position in the China market.

"An analysis of the various commodities handled," Mr. Ho said, "shows that the principal articles imported from the United States are raw cotton, petroleum, tobacco leaf, wheat flour, wheat, motorcars, machinery, and timber. The demand for American cotton should be on the increase owing to the expansion of the cotton industry in China, especially the spinning of fine yarns, but owing to over-production in the states, the price of this staple showed a sharp decline. Thus, although the quantity of American cotton imported in 1932 showed an increase of over 600,000 piculs above that in 1931, the total value was Gold Units 3,000,000 less than in the previous year. Owing to Russian competition in the China market, less petroleum and timber was imported from the United States. The substantial increase of American wheat and wheat flour imports was chiefly due to the flood disasters in 1931, and as soon as conditions in China become normal the import of these commodities will automatically decline. Owing to high prices American machinery is gradually being driven out of the Chinese market by German goods, and the only lines in which the United States is likely to maintain her position in China trade are motorcars and tobacco leaf. From these facts it would appear to be doubtful whether the United States will be able to keep the predominant position in trade with China which has been held so long."

Another aspect of Sino-American trade is the decline in Chinese exports to America,—and in the long run, of course, Chinese imports from America will drop in proportion to her exports to America. Tungsten, antimony and tin exports from China are holding up very well, but there has been a tremendous decline in recent years in Chinese tea and silk exports.

As has already been cited, China buys more than twice as much from the United States as she sells to the United States. Allowance, however, must be made for the invisible exports of China to the United States, that is, the American money sent to, or spent in, this country. In 1932, according to an estimate of Julean Arnold, American commercial attache in China, these invisible exports, in American currency, were: remittances from Chinese in America, $35,000,000; American missionary work in China, $6,000,000; expenditures for maintenance of U.S. expeditionary, naval forces and U.S. government establishments in China, $3,000,000; expenditures by American tourists, $1,500,000—total, $45,500,000.

In the same year, incidentally, American exports to China amounted to U.S.$56,171,000 while Chinese visible exports to the United States amounted to U.S$.26,176,000.

W. B.

Yen 881,000,000 Loan to Cover Manchurian Operations

A sharp clash is foreshadowed in the near future in the Japanese Diet between the agricultural interests and the militarists on the question of appropriations. The Lower House Feb. 13 passed the budget, in which the deficit resulting from the Japanese operations in Manchuria, will be met by a loan of 881,000,000 yen. Additional farm relief measures, costing 20,000,000 yen, will later be submitted to the Diet, and they are expected to draw considerable criticism of the government before being passed by both Houses as the Finance Ministry had cut the appropriation for agrarian relief in half. It is to be remembered that agriculturists represent half of the Island Empire's population, and four-fifths or more of the recruits for the army are drawn from the farming community. Mr. Goto, the Minister of Agriculture, has intimated that unless his plans for the relief of the farming communities can be carried through, agrarian unrest will flare up to a dangerous extent. Both the War Office and the Navy Office early in December issued statements strongly denouncing those who allegedly were trying to break up national unity, by spreading propaganda among the peasantry to the effect that their impoverishment and their failure to obtain adequate relief funds was due to the huge sums demanded for national defense.

Both the War Office and the Navy Department in the meantime are doing their utmost to try to convince the populace, and particularly the farmers, of the necessity of such large appropriations for national defense, hoping to forestall any attempt to divert the resentment of the farming communities, on whom they depend so much for recruiting and for general support.

Japanese Naval Minister Says Silence as to Plans Is Best Policy

The Japanese Minister of the Navy, Mineo Osumi, in the budget committee session of the Lower House of the Diet Feb. 3 set forth in a few words the present attitude of his office toward open discussion of Japan's attitude towards the 1935 Washington disarmament conference. With immediate conditions extremely delicate, he said, it is best to maintain the utmost silence, because if Japan says she is not afraid to enter a naval construction race she will be accused of adopting a challenging attitude, and if she says she desires a satisfactory agreement at any price, she might be considered timid. That ended, for the time being a line of interpellation which had been proceeding more or less steadily for several days previously. The reply was described by *Nippon Dempo* as the clearest statement Admiral Osumi has yet made on the Navy's position relative to the conference.

Alleged Illegal Commission of Yen 635,000 in Rayon Company Share Sale

Naohiko Seki, a veteran leader of the Dowakai group of the Upper House, in his interpellation speech at the plenary session Feb. 2 hurled a bomb at the alleged scandals in connection with the sale of the shares of the Teikoku Rayon Co. by the Bank of Taiwan and the sale of the shares of the South Seas Development Co. by the Oriental Development Co. and demanded that the fullest investigations be made into the cases. Among other things he said that at one time the shares of the rayon company were quoted at about Yen 200, and shortly before the bank disposed of its holdings they were quoted at around Yen 190. Because of various maneuvers, the price of the shares fell to Yen 125, and the bank sold at that price. The sale of the shares at such a time was most unreasonable and irregularities may be suspected, the speaker charged, who added "If the shares had been sold at Yen 195, the Bank of Taiwan would have gained Yen 7,770,000. Three persons who were connected with the sale of the shares pocketed among themselves an unlawful commission amounting to Yen 635,000. They obtained one yen per share both from the bank and the buyers, which altogether amounted to Yen 220,000, and a dividend of Yen 3.75 per share, which amounted to Yen 415,000."

Industrial Bodies in Osaka, Kyoto, Kobe to Join in Mobilization Plan

The formation of an industrial defense body in Osaka, Kobe, and Kyoto, is being discussed among the authorities of the 4th Division, the Osaka Gendarmerie Corps, the Mobilization Bureau of the War Office, and those concerned with industrial activities. It is intended as industrial preparation for the grand air-defense maneuvers to be held, centering about these cities, this summer, and for the trial mobilization of war supplies at the same time. A factory employing more than 50 workers will form a unit of the contemplated body. Workers will receive special training for the occasion of aerial attacks, and other technical instruction. Spiritual training of workers is also included in the scheme. The body will have its headquarters in Osaka, and branches in Kobe, Kyoto, and factory-quarters under the superintendence of each police station in the three cities.

New Bill Would Put Osaka, Kobe, Yokohama and Nagoya Under Home Ministry

A bill to detach the five larger cities of Osaka, Kyoto, Nagoya, Kobe and Yokohama from the administration under respective prefectures and put them under the direct control of the home minister, was introduced in the House of Representatives, Feb. 8. In view of the rapid growth witnessed in these cities, it was advisable to bring them under supervision of the home minister, in order to enable them to carry out smooth administration and autonomy with a new special municipality law, it was explained in the House by the party members. The House has submitted the bill to the consideration of a special committee.

Magazine Article Forces Japanese Minister to Resign

Following attacks in the Diet regarding his alleged connection with a scandal and an article which he contributed to a magazine, Baron Kumakichi Nakajima, Minister of Commerce, resigned Feb. 8. He was succeeded by Joji Matsumoto, a member of the Upper House. In the offending article, Nakajima extolled the character of Ashikaga Takauji, a rebel military chieftain who established the Shogunate Government entirely on his own accord and without the permission of the imperial authorities in the 14th century. Minister Nakajima is said to have characterized this rebel general as a "hero" deserving the admiration and sympathy of the people.

Nippon Competition Referred to Again in House of Commons

The subject of Japanese trade competition was again raised in the House of Commons Feb. 7. A Liberal member for South Bradford, suggested that representatives of the British woollen, worsted and textile trades should immediately enter into negotiations with the Japanese. In reply, the Parliamentary Secretary to the Board of Trade thought that it was better to see how existing conversations proceeded before enlarging their scope.

London Fears Effects of Pan-Asiatic Congress on Indians

After relating that a Japanese organizing commission was about to hold a meeting at Dairen for the preparation of the Pan-Asiatic Congress, the London *Daily Express* Feb. 8 emphasized the enthusiasm with which this initative is being received by the Indian Nationalist leaders. The paper further expresses the opinion that this project of Japan is liable to embarrass her relations with certain powers.

Communistic Judges Are Sentenced

The Tokyo District Court Feb. 10 passed sentences ranging from 2 to 10 years of imprisonment on 9 judges involved in communist activities in Japan. Judge Ozaki was sentenced to 8 years imprisonment while Judge Takiuchi received 5 years.

French-Canadian Missionary Shot In Manchuria

Father Emile Charest, a French-Canadian Catholic missionary from Montreal stationed at Chengchiatun, southwest of Changchun, was shot dead Feb. 13 by a thief who attempted to rob the mission. Father Charest's Chinese house, boby was also killed.

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Japanese Adopt Independent Attitude at Commercial Conference

The Anglo-Japanese Commercial Conference started in London Feb. 15. Replying to a British suggestion that the present Conference was for the purpose of deciding the quota of Japanese and British, cotton piece goods and artificial silk in the world markets, Mr. Okada Japanese representative, insisted that the conference should discuss only British territory, except India, because an agreement concerning markets of a third country would be impossible to obtain.

Swedes Sell Match Interests in Manchuria to Japanese

Swedish match producers have sold their interests in Manchukuo to Japanese capitalists. Until recently the match industry in Manchuria had been controlled almost entirely by Swedish capital. More than 60 per cent of the stock of the Kirin Match Co., the Kirin Splint Manufacturing Co., the Nisshin Match Co., and other large companies was owned by Swedes, but virtually all this stock has now been purchased by Japanese.

General Chiang Kai-shek Resumes Anti-Communist Campaign in Kiangsi

After an absence of nearly two months in Fukien and Chekiang in connection with the suppression of the revolt of the 19th Route Army, Gen. Chiang Kai-shek, Chairman of the Military Affairs Commission, returned to Nanchang, Capital of Kiangsi, by air from Hangchow on Feb. 9 to resume his direction of the anti-Communist campaign in Central China. Gen. Chiang left Nanchang last December when the Fukien rebels were heading towards the Chekiang border and threatened to create a serious situation in the South western provinces of China. Gen. Chiang personally commanded the Government expeditionary forces in Fukien. After the successful suppression of the revolt, he proceeded to Nanking to attend the 4th Plenary Session, followng which he went to Hangchow, where he had just completed an important conference with Gen. Chang Hsueh-liang, Dr. H. H. Kung and T. V. Soong.

Prior to his departure for Nanchang, Gen. Chiang issued orders to the military authorities in Fukien to the effect that all troops now stationing in Fukien, except the anti-red force, should be under the direct command of Gen. Chen Yi, chairman of the Fukien Provincial Government. Gen. Chiang also declared military expenses for Fukien troops will henceforth be appropriated by the Central Government but revenues of Fukien should in turn be sent to the central treasury.

Gen. Chiang was honored by a delegation from Shantung on Feb. 8 which presented him three large banners, celebrating his success in the suppression of Communist-banditry in Kiangsi. Gen. Ho Kuo-kuang, a staff officer of Gen. Chiang's Headquarters in Nanchang, received the banners on behalf of the Generalissimo and the Government Bandit Suppression Forces.

With the reorganization of the 19th Route Army and the installation of the new Fukien Provincial Government under the chairmanship of Gen. Chen Yi, the situation in Fukien is now well in hand. Gen. Chen has been appointed concurrently Director of the Fukien Peace Preservation Corps, but has resigned his other concurrent post as Commaissioner of Civil Affairs Li Tsu-yu, a lawyer in Shanghai and a former judge of the Supreme Court in Peking, has been appointed to the latter post. The new Fukien Provincial Government Committee held its first meeting on Feb. 7, when the budgets of the various provincial departments were fixed. It was decided that the provincial finances be readjusted, reforms introduced in the provincial administration, and attention paid to reconstruction work and the development of education in Fukien.

With the Fukien campaign coming to a successful conclusion, the press ban in military movements has been lifted. It is now learned that the government forces advanced into Fukien by three routes. General Chiang Ting-wen commanded the troops who marched into North Fukien from Chekiang; Gen. Wei Li-huang was at the head of the three divisions which advanced into Fukien from Li-Chuan, in Kiangsi, while the third route was under the command of Gen. Chen Cheng, whose principal duty was to clear the Kiangsi-Fukien border of Communists in order to give the government forces a free hand in dealing with the old 19th Route Army. Temporary airdromes were established at Wenchow and Lichuan, from which points government planes bombed and attacked the rebel lines and Foochow. The 14th Route Army under the command of Gen. Wei Li-huang did the major part of the fighting and it was his unusually swift advance down the Min River which spelled the downfall of the rebellion.

Despite the successful liquidation of the Fukien revolt, reported military preparations by the Kwangtung authorities along the Kwangtung-Fukien border and announcement of a Kwangtung-Kwangsi military alliance are causing fresh anxiety in Chinese circles in Shanghai, according to a report in the *Shanghai Evening Post* on Feb. 9. Possibility of a fresh civil war this time between Gen. Chiang and Gen. Chen Chi-tung is said to have been seen by political observers although official circles flatly denied such a possibility.

The Kwangtung force continue to remain in the Southern Fukien districts with no signs of withdrawal. In the meantime, a huge Nanking forces massed in Central Fukien and disputes centering around abolition of the nomenclature of the 19th Route Army are generally given as the dominating factors for Gen. Chen's action in making the military preparations along the southern Fukien border.

General Li Chung-jen, strong man of the Kwangsi provincial government, is to visit Canton for a conference with Gen. Chen shortly. The reported trip followed the announcement that the 'two Kwangs" would ally themselves in military affairs against the Government forces, in the event that a military clash is being designed.

An important military conference was held in Canton on Feb. 8. Following the conference, two important routine orders confining the officers and men "in the front" in their barracks and instructing those in the "rear" to prolong their working hours are said to have been issued.

The Fourth Independent Division of the Kwangtung Army has been instructed to reinforce the border guards at Yungting while the anti-aircraft gun corps also have received orders for mobilization and transfer to the Fukien border. The Kwantgung authorities continued to benefit by accepting officers and men of the former Fukien air and land forces who applied for surrender and re-enlistment.

Foochow Hard Hit by Recent Revolution

(From the Shanghai Evening Post, Feb. 16)

Foochow, Feb. 14.—The old Chinese year ended one of the worst business years this port has ever experienced. Hundreds of small firms and many large companies are declaring bankruptcy as they are unable to meet outstanding obligations at the settlement period.

The business situation here, as well as the political and military ones, may be described moderately as "far from bright."

The air is full of rumors that the Kwangtung Government headed by General Chen Chi-tang and the Nationalist Government are preparing for battle.

The local air field is being extended and when completed will be 600 meters square, with some 20 planes stationed for defense purposes. The head of the Bureau of Reconstruction, Engineer Chen Hai-ping has been ordered to begin at once the construction of roads throughout this area to enable the movement of military supplies and troops.

The 87th and 88th Divisions of the Nationalist army have marched into Foochow and are now demanding that they be allowed to return to the North as they claim they have completed annihilation of the 19th Route Army and that their services are no longer required in this section.

A letter has been received by a foreigner informing him that a Spanish Father stationed at Sa Hien, West Fukien, was kidnapped from that point some 10 days ago and the ransom now demanded for his release is $7,000. This letter came from a very reliable source at Yenping.

It has not been definitely established that the Spanish Father has been kidnapped but it is generally believed by all those concerned that he is now in the hands of the Communists as the city of Sa Hien was occupied by Communists, on or about, February 1, and since that date no direct news from the Spanish Father has been received.

The whole of the West and North West Fukien is now over-run by Communists and the situation in those areas is precarious.

Nationalist troops have occupied the properties of the American Dominican Fathers at Kienningfu and all their properties in that entire section, according to reports now filtering through.

Manchukuo Will Push Yingkow Harbor Work

A recent statement issued by the Foreign Minister of Manchukuo deals with plans for furthering the work of the Liao River Conservancy Board and says that the harbor improvement work at Yingkow is "not yet in a fully satisfactory state" but "there are signs of possibility of a greater development in the future. Owing to lack of funds" the statement continues, "The Board since the year before last has suspended its various construction activities carried on until then, and at present it is only undertaking repairs of portions completed before. But should the present conditions be allowed to remain then the mouth of the river would be blocked with same and debris, thereby rendering completely meaningless the various construction works executed during the past years at considerable outlay of money and labor. And before long, Yingkow might revert to the desolate condition of olden days.

"In view of the foregoing situation, the members of the Board of the foreign powers concerned, at their general meeting on December 12 second year of Tatung (1933), decided to dissolve the Board of their own accord, and have requested this Government to take over the enterprises of the said Board.

"Generally speaking, river and harbor improvements should be undertaken by either the State or the local authorities concerned. The then Chinese authorities, however, were not in possession at that time of the required funds and technical skill, in consequence of which the Liao River Conservancy Board was created. Since it is only natural that Manchukuo itself should execute these undertakings, this Government has agreed to take over the Board as on the first of January, third year of Tatung (1934)."

Murder Complicates Shantung Political Dispute

The dispute between the Shantung Provincial Government and Shantung Provincial Kuomintang Headquarters has been itensified as the result of Kuo Pei-hai, member of the Executive Committee of the Yih-hsien District Tangpu, being murdered.

The tragedy occurred on Chinese New Year Day shortly after his return from Tsinan, where he had interviewed General Han Fu-chu, chairman, in an effort to iron out his troubles with Chang Wei-tsen, the Nanking-appointed Shantung party leader. Mr. Chang had submitted his resignation to Nanking several days ago following a controversy with General Han, who also is a member of the Executive Committee of the Shantung provincial tangpu.

The murder of Mr. Kuo, believed to be connected with the political and tangpu controversies, caused further complications of the issue. Mr. Kuo was murdered by five or six gunmen who escaped before Public Safety Bureau officers had received the alarm.

Political observers state that Nanking is facing a delicate problem in handling the Shantung controversy. Acceptance of Mr. Chang's resignation would cause possible irritation to the Central Kuomintang Headquarters but the upholding of his cause may lead to complications with the influential Shantung military leader.

Russians Improve Living Standards

A recent United Press message from Moscow stated that with millions of peasant households suddenly "enriched" by the exceptionally good harvest and the government's new leniency towards them in mobilizing farm products, village leaders are turning their attention to improving the everyday living standards of the farm population. A deliberate effort now is underway to carry into life Joseph Stalin's promise, made over a year ago, of making all peasants "well-to-do" and providing them with the possibilities for a "cultural life."

In many areas the mass of peasants not only have enough grain to insure them against hunger for a year or two, but a surplus for sale. The authorities have not violated their pledge to let them keep products above fixed quotas. The primitive level of life in the Soviet villages may be judged from the kind of things held out as ambitious ideals in establishing a "cultural life." These are gramophones, sewing machines, metal beds, toilets and factory-made shoes. The Soviet press devotes pages to this theme indicating the earnestness of the movement towards a more ample life for the peasant.

Mdivanis Arrive in Peking—Intend to Stay a Month

Prince and Princess Alexis Mdivani arrived in Peiping Feb. 9 from Japan. The Princess was, before her marriage, Miss Barbara Hutton, heiress to the Woolworth millions. They travelled as far as Yokohama on separate boats, owing to the fact that the Prince was forced to fly north-west from Reno to avoid process servers who were pursuing him to appear as at witness in connection with the oil operations of his two brothers, Prince David and Prince Serge. Princess Mdivani sailed from San Francisco, while her husband sailed from Vancouver, B. C., on January 11.

Leipzig Fair to Open Next Month

The Spring Sample Fair of Leipzig will be opened on March 4 by the Propaganda Minister, Dr. Goebbels. Hundreds of foreign firms have reserved space for their exhibits and several countries, such as Italy, Yugoslavia, Austria, Japan and India, will have their own national showings. German industry will be represented by more than 6,500 firms. One of the Spring Fair's features will be a special exhibit of the products of the German Saar Region.

British Trade Hit in Singapore and U.S.A.

A number of leading importers at Singapore announced Feb. 15 that they had decided to abandon trading with British and Continental manufacturers and to import Japanese goods instead. Some of there merchants are at present opening offices in Japan.

Imports of British-grown tea into the United States fell by 7,750,000 lbs. in 1933, while imports of Dutch-grown tea increased by 7,500,000 lbs. The production of British-grown tea during the year fell by 108,750,000 lbs.

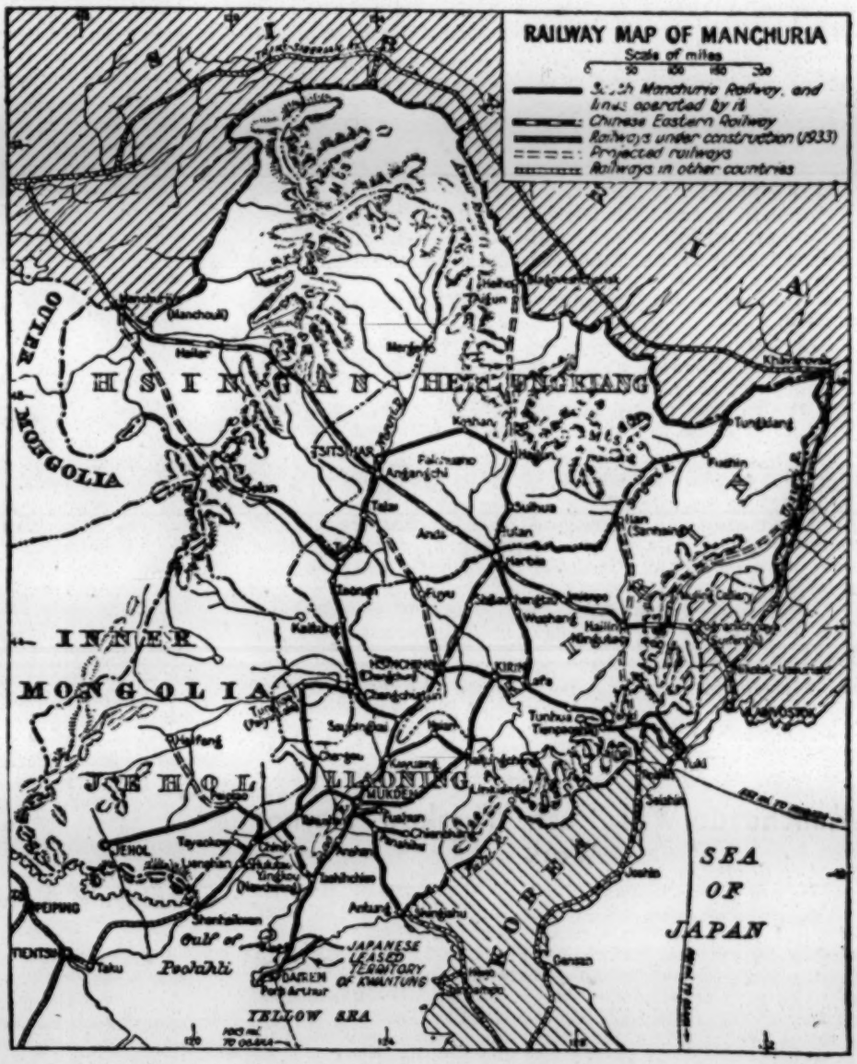
Japan in Manchukuo

BY H. F. TIMPERLEY*

MANCHUKUO'S vaunted independence exists only in the imagination of Japanese propagandists. As at present constituted, the Manchukuo "government" amounts to little more than a polite fiction invented to obscure the fact that Japan has gone in for imperialism n a big way. Japanese officials occupy the key positions n the Manchukuo administration and work under direction of the Kwantung Army, which in turn is subordinate, ostensibly at least, to the Japanese Imperial General Staff. Pu Yi and his team of Manchu and Chinese ministers, commonly spoken of in Manchuria as "the phantom cabinet," are entirely overshadowed by their so-called Japanese "advisers," who in fact constitute the country's real executive authority.

To observe "the principle of the Open Door and equal opportunity," to encourage the investment of foreign capital, and to utilize foreign technical skill and experience—in line with these governing principles the government has laid down definite plans for the economic organization of the country, for the development of industry, and for the construction of public utilities.

But it is to railroad development that most interest attaches. For nearly thirty years Japan has been working steadily to adapt the Manchurian railroad system to her own economic and strategic requirements. Her efforts in this direction have brought her into frequent collision with the rival aspirations of the Chinese on the one hand and the Russians on the other. Attempts by the late Chang Tso-lin to build lines in competition with the Japanese-owned South Manchuria Railroad, and his refusal to build others linking up the Manchurian and Japanese systems, were major factors in precipitating the recent Sino-Japanese conflict. Since Manchukuo was established Japan finds herself in a position to proceed unhampered by Chinese opposition. She has also shown an increasing disregard of Russian interests.



4000 Kilometers of New Railway Lines

The publicly announced plans of Manchukuo provide for the construction of 4,000 kilometers of new lines within ten years. The first new railroad to be completed since the Japanese army assumed virtual control of Manchuria in September 1931, is a stretch of about 200 kilometers from Tunhua to the Korean border (see railway map herewith). This line, opened for traffic in August last, will connect with the new port of Rashin, now under construction on the Korean coast, and by joining up with the Korean railroads will provide a more direct communication between Japan and Manchuria. The Chinese refusal to sanction the completion of this railroad did much to quicken Japanese impatience with the former Manchurian regime. Another new line, due for completion by the end of 1933, will give access to the fertile country lying north of the Chinese Eastern Railway. This is the line now being built from Lafa, some 50 kilometers westward of Tunhua, to Harbin, where it will connect with the Hulan-Hilian-Koshan-Tsitsihar line. When it has been completed, and when the new bridge now being built simultaneously across the Sungari River has been finished, trains which are at present compelled to trans-ship their goods at Harbin will be enabled to carry their inland freight direct to the Korean coast. Construction has also been started on another line running northward from Yenki, about 60 kilometers eastward of Tunhua, through Hailin to Sanhsing, an important soya bean center on the Sungari. This railroad (which will take seveal yaers to complete) will tap additional regions, the products or which can then be brought down to ports on the Korean coaft. Japanese railroad officials claim that these various improvements in their system will have the effect of reducing the Chinese Eastern to the status of a branch line. It is significant that by the completion of the line from Changchun to the Korean border the haul from Osaka to Harbin has been reduced from 2,800 kilometers (via the old Dairen route) to 2,060 (via northern Korea), a saving of 740 kilometers. Plans are now under way in Japan to establish a new steamship line from the Japanese port of Niigata to Rashin or Yuki, on the Korean coast, making possible a saving of two days in the journey from Tokyo to Harbin.

The Manchukuo Government's road-building program, which calls for the completion of 4,000 kilometers by June 1934, appears to be getting under way rather slowly, but highways connecting Mukden and Fushun, Jehol and Peipiao, Hsinching and Kirin, and Taonan and Solun have been started. Regular daily air services are already operating between the principal Manchukuo cities, and extensions are planned.

Unified Control of Communications System

Steps have been taken also to bring the communications system under unified control. Details have been given out officially in Tokyo of a merger of the Manchukuo telegraph, telephone and radio services, a semi-official company having been formed to take over the systems hitherto operated separately by the Manchukuo Government and the Japanese Government-General of the Kwangtung leased territory. The new company, the majority shares of which are held by the Japanese and Manchukuo Governments and the remainder confined to their respective citizens, is capitalized at 50,000,000 yen. Government supervision and control are provided for in the articles of association, and dividends are restricted. In

*Condensed from an article in "Foreign Affairs" (New York) for January.

reporting the merger, Tokyo press dispatches pointed out that it illustrates the methods of state capitalism or national socialism by which the Japanese, in developing Manchukuo, expect to combine the advantages of public ownership and private management.

There is little indication so far of any serious intention to encourage the participation of foreign capital other than Japanese in the development of the country, despite the Manchukuo Government's declaration that "in the work of unlocking resources and encouraging industries the principle of the Open Door and equal opportunity will be observed." Mention of the "Open Door" in this connection elicits in most foreign quarters in Manchuria the ironic comment that "the door may be open but there are too many Japanese crowding the threshold for anybody else to be able to get even a look-in." Manchukuo officials when pressed for information on the point were unable to suggest where, for instance, an American capitalist with a million dollars to invest might find a suitable opening. It was hinted that something might perhaps be done in cooperation with the South Manchuria Railway Company, but that organization so far has revealed no anxiety to share its opportunities with outsiders.

It is to be expected that for the time being the implementation of the economic program will stimulate foreign imports such as automobiles, motor trucks, heavy machinery for road-making, etc., but the general outlook for foreign trade, except with Japan, is not regarded in Manchuria as being particularly promising. Government supplies are purchased from Japan wherever possible and railway material mostly is made on the spot in the well-equipped workshops of the South Manchuria Railway Company. Virtually the whole of the trade in cotton goods has passed into the hands of the Japanese, who have gradually edged out the British from this field. Shops in the principal Manchukuo cities are crammed with cheap Japanese goods, offered for sale at prices with which the American or British exporter cannot hope to compete. There is a good deal in the Japanese contention that economic rather than political factors have been responsible for the preferred position of Japanese merchandise, as Japanese traders obviously enjoy many natural advantages in addition to the low exchange value of the yen. But the complaint is made by foreign merchants in Mukden, Newchwang and elsewhere that they have also had to contend with unfair business methods. Goods have been smuggled in large quantities across the border of the Kwantung leased territory from Dairen, which is a free port under Japanese control. Also, it is alleged, Japanese dealers have imported huge stocks of piece goods into Manchukuo through the Japanese parcels post, thereby evading payment of duty.

"Big Business" Is Apprehensive

Most of the larger foreign corporations, such as the Standard Oil Company and the British-American Tobacco Company, report good business at present but are wondering how long it will last. The oil companies view with apprehension the prospect of a Japanese plant being erected in the near future at Dairen to refine crude oil imported from abroad. According to South Manchuria Railroad officials, the capacity of the plant will be limited to about one-fifth of Manchuria's total requirements, leaving plenty of room for the foreign companies to continue their operations; but it is feared that this may prove to be merely the thin end of the wedge. The British-American Tobacco Company, also, faces the possibility of the establishment of a tobacco monopoly by the Manchukuo Government.

The prospect of an armed conflict with Russia is undoubtedly the prime motive which is impelling the Japanese to push rapidly ahead with railroad construction in Manchukuo, though this development is calculated at the same time to bring prosperity to the country by opening up fertile areas which at present remain unsettled. When the Lafa-Harbin railroad is completed at the end of this year the Japanese will have direct transit from the Korean coast to Tsitsihar without using the Chinese Eastern Railroad and they will be in a position to rush troops into North Manchuria with a considerable saving of time as compared with the present route via Antung. Other projected lines with an obvious strategic significance include one connecting Taonan with Solun in the west in order to give Japan a foothold in Mongolia, and one running northward from the Hailan-Koshan line to Heiho with the evident purpose of giving the Japanese military access to the Russian frontier at a vulnerable point.

Whether these railroads in their military aspect are intended for use offensively or defensively is a matter for speculation, but the likelihood that their construction foreshadows an attempt to seize Vladivostok and the Maritime Province has by no means been overlooked in Moscow. Soviet officials concede that two years ago, or even less, this region might have been Japan's for the taking. Since then, however, Russia has built up in the Far East an efficient, well-supplied army and a still more formidable air force capable of bombing Japan's large industrial cities. The Soviet authorities, while emphasizing the defensive character of those measures, appear supremely confident of their effectiveness. Commenting on persistent reports of military concentrations along the Manchurian frontiers, Soviet spokesmen have admitted that Russia's Far Eastern defenses have been strengthened considerably. "In the event of hostilities," press dispatches quote one official as saying, "the Soviet military establishment will present both offensive surprises, especially in connection with aviation, as well as our land and sea defenses at Vladivostok."

What the Militarists Want

The great imponderable in the situation is the attitude of the Japanese military authorities. Are they content with the occupation of Manchuria or do they plan further conquests? There are indications that the extreme imperialists within the Japanese army have very definite ideas about the desirability of adding the Maritime Province, including Vladivostok, and Northern Saghalien to the Japanese Empire. This would give the Japanese complete control of the Sea of Japan. Soviet naval activity would be practically eliminated and the frontier would be pushed so far back from the coastline that aerial threats to Japan would be greatly lessened. Some of these Japanese extremists would go further, as far as Kamchatka and the shores of the Okhotsk Sea, shutting off Russia entirely from the Pacific, turning the Okhotsk Sea into another Japanese lake and thereby putting an end to the constant bickering over fishing rights in northern waters. But it is doubtful how far the influence of this group extends, even in the army, and up to the present there is little evidence that the nation as a whole would be greatly interested in a campaign to acquire territory from Russia. Such an enterprise would lack the sentimental background which enabled the Japanese army to drum up public support for the Manchurian adventure. On the other hand, we must not forget that the Japanese people have been made highly susceptible to propaganda. It is not inconceivable that they could be thrown into a frenzy of patriotic excitement over the righteous justification of a campaign to carry the Rising Sun to the shores of Lake Baikal.

Other potential springs of a Russo-Japanese war just as likely to become effective as any appetite for territory to the north of Manchuria are to be found in the pressure now being quietly applied to Russia by Japan in the direction of Mongolia. There is a very lively interest in Japan, commercial as well as military, in both Inner and Outer Mongolia. Japanese exploration parties, including gold and oil prospectors, are working westward from Jehol and western Heilungkiang, while Japanese political agents are busily engaged in endeavoring to persuade the Mongols that Manchukuo is the friend and not Moscow.. The Soviet's policy of keeping Outer Mongolia hermetically sealed to the rest of the world is resented by the Japanese and it is conceivable that sooner or later some combination of the various elements involved will bring Japan into conflict with the Soviet interest in this region. The Russians would then find themselves called upon to yield or fight.

The Japanese military see as plainly as anyone else that, granting war to be inevitable, it would be to Japan's advantage to strike before Russia has reached the degree of industrial development envisaged by her second five-year plan. But there are other factors to be taken into account. In the opinion of military experts, Japan would be foolhardy to precipitate hostilities against Russia until she has swept the Manchurian railroads clear of bandits. Otherwise her main lines of communication would be constantly menaced. Furthermore, the Japanese army is in the midst of two major programs which clearly are intended to improve her military position vis-a-vis the Soviet. First is that of modernizing and perfecting the organization and equipment of the army so as to enable a well-found force of one million men to take the field within a few weeks. This program is planned to be finished about 1936. The second is the program of railway building which, as already pointed out, is designed to facilitate the transportation of troops into North Manchuria, and which also will take some time to complete. On balance, while we cannot exclude the possibility that increasing Russo-Japanese tension may any day lead to an armed conflict, it would seem more likely that major hostilities will be deferred at least for two or three years. But it is only with a very big question-mark that we can leave this, the really big problem in the new Manchuria.

Ministry of Finance Contracts New Loan of $44,000,000

A new loan of $44,000,000, sufficient to cover the deficits of the national government for six months was raised from 16 leading local Chinese banks by Dr. H. H. Kung, Minister of Finance, end of last week.

Tne need for this new loan arose in part from the punitive campaign of the national government against Fukien. Besides meeting the government deficits, amounting to several millions monthly, part of the new loan, it is understood, will be devoted to the Communist-suppression campaign.

While the loan was raised from local Chinese banks by Dr. Kung, T. V. Soong, a member of the National Economic Council Standing Committee, had contributed toward the successful consummation of the loan through his negotiations while in Italy last summer for the return of the Italian Boxer Indemnity Fnnd. The $44,000,000 is to be secured upon Italian Boxer Indemnity Fund monies which the Italian Goverment has consented to return to China. The loan will bear 8 per cent interest and is to be refunded in monthly instalments before the end of the 37th year of the Chinese Republic, or 1948. The Bank of China heads the list of 16 banks interested in the loan.

Russian Preparedness in the Far East

HARBIN.—In this town, it is not common to see a Soviet newspaper brought from the other side of the frontier; if one happens to have it, it is treasured and passed on with great care, in strict confidence, and to friends only, so that at the end of such a journey the paper becomes so used up from wear and tear that to patch it up and read it becomes a matter of some labor. Recently, the writer has happened to come across such a paper, the "*Krasnoye Znamia*," published at Valdivostock, and though the issue would now seem to be rather out of date, being for November 27, it still has very great interest for a general reader, especially at this time of strained relations between Japan and Soviet Russia. It deals with the development of the Soviet air armament which subject has lately been attracting considerable interest on all sides.

Considerable space in the paper is devoted to the manifesto of the Executive Committee of the Communist Party for the Far East, at Habarovsk, urging the workers of the U.S.S.R. to be ready to defend their "socialist fatherland" against the impending attack by an imperialist neighbor. Space is too limited to quote the manifesto verbatim; suffice it to say that the Government and the Party are said to be "cognizant of the dangers of the moment, and are paying utmost attention to the improvement of the Soviet air force; we have perfected it to such an extent as to be able, at a moment's notice, to carry the war into the enemy's territory and strike at its most populous centres."

Views of Soviet Leaders

The writer has tried to ascertain the views of some of the leading local Soviet people about this statement of the Habarovsk authorities, and also their opinion on the latest turn in Soviet-Japanese relations, and all of them declare with one voice that the situation is nothing like so bad for the Soviets as it was a year or so ago. One outspoken man even stated that the Japanese warlords had missed a chance to invade Siberia, namely, immediately after the occupation of Mukden and Changchun in 1931, when the Soviet Far East was practically defenceless, and consequently at the mercy of invaders.

"Now, when we have strengthened our positions in the Far East and brought a good part of the Red Army from Russia, it will not be easy to conquer Siberia and start therein any puppet raising experiments," he said. "I belong," he continued, "to that class of people who think that the destinies of nations are directed by the foresight and determination of its leaders. If those leaders are to build a great nation, and are themselves what we term "great men', they cannot lose even a single opportunity. The 'greatness' of men seems to be in their ability to mark the right moment and to act swiftly and correctly."

"I do not think that present-day leaders of Japan will go down in history as great men. No, they are bluffers. If the Japanese nation is to establish a hogemony over Asia, including Eastern Siberia, by force of arms, about which we hear and read in this town so persistently, that golden opportunity has been lost for ever—the Soviet Far East cannot be snatched away so easily as China's North-Eastern provinces were. We have spent these two years not uselessly; we have strengthened our military position in all the provinces of the Russian Far East; improved the facilities of communication, and above all, brought a good portion of the Red Army and the Red Air Force to the Far East; and are fully prepared to meet any invader who should attempt to disturb our peace. One lost opportunity seldom occurs again; this should be realized by our cock-sure neighbours, and we hope they will keep themselves, from now on, much quieter."

Russian Railway Preparations

These words are not mere self-conceit. Any impartial observer who has lived in these parts any length of time will confirm the fact that the Soviets, since the outbreak of the Manchurian incident, have augmented their military strength in Eastern Siberia so vastly that any attempt by the Japanese army to invade those parts, as they did Manchuria, is going to be a risky business. Apart from strengthening the units of the Red Army stationed in Eastern Siberia, which has been done as a matter of course, the Soviets have enormously improved their system of communications by building entirely new railways of purely strategic importance and by double-tracking the Trans-Siberian Railway on its strategically most important sections. Added to this are a number of extensive airfields, housing hundreds of flying machines, the very thought of which strikes terror into many a heart.

First in importance among these new railways comes the one, which the Soviets are now building along the western Soviet-Manchurian frontier, from Kerulen (in Outer Mongolia) to Stretensk (in Siberia). It is reported that the two sections of the railway of the highest strategic importance have already been completed: first, from Borzia station, approximately midway between Manchull and Chita, to Kulsutai, a small village on the Soviet-Mongolian frontier; and, second, from Stretensk to Nerchinsk, on the Soviet-Manchurian frontier. When completed, the railway will be 1,000 kilometres long; it has no economic importance whatsoever, its

construction having been impelled solely by the threatened Soviet-Japanese retations.

Soviet strategists pin their greatest hope on this railway, for, in time of war, it will enable them to move supplies and reinforcements to the Red front, then supposedly extending along the Manchurian-Siberian frontiers. The Kerulen-Kulsutai and Borzia-Nerchinsk sections of the railway are not yet completed, though construction is reported to be progressing rapidly, despite the winter with its added hardships. According to the Harbin press the work is being carried on by the combined efforts of the Red Army and of bands of convicts specially brought for this purpose from concentration camps in Russia and Siberia.

Another extensive railway is being built along the eastern border of Manchuria, just inf ront of Pogranichnaya, the purpose of which is supposed to be to block, when the war breaks out, the Japanese advance into the Maritime Province, using the C.E.R. as the base of operations. This road extends from Lake Halka (Kamen-Ribolov) to Grodekovo, some 30 miles from Pogranichnaya, and is said to be of narrow gauge. It runs along the Mo River, behind a line of formidable semi-permanent fortilications completed this summer between Grodekovo and Kamen-Ribolov. As in the preceding case, this line has only military importance, one report stating that it is open only for the military transportation.

Double-Tracking the Trans-Siberian

Of the double-tracking of the Trans-Siberian Railway, it is reported that the work has been completely finished between Dauria and Borzia stations to the West and is half done between Baglovеschensk and Bochkarevot o the East. Also, the work is being pressed on the section between Bochkarevo and Habarovsk on the Amur Railway, so that it is expected that, by next summer, a greater part of the railway will have been double-tracked.

Well-Equipped Airfield

It is hopeless to look in the Soviet press for any information on the position of the Red airfields, this being a secret of utmost importance. However, refugees daily flocking from all parts of Siberia into Manchuria bring information as to where those airfields are beng built, so that their positions have been ascertained fairly accurately. From these sources it appears that the most up-to-date airfields are at Vladivostock, Possiet, Nikolsk-Ussurisky, Vosdvishenka Spassk, Iman, Habarovsk, Blasoveschensk, Bochkasevo, Chita, Duria and Urga. It is reported that the airfields of Spassk, Vladivostock and Dauria are specially well equipped with scores of firing machines kept in complete readiness. In summer, they had a station for hydroplanes somewhere in the vicinity of Labassusu, at the confluence of the Sungari with the Amur.

This preparedness on the part of the Soviet Union has kep tthe Japanese militarists in check, so much so that they will have to give up their cherished plan of creating a second "Manchukuo" in Eastern Siberia. Two years ago the Soviets were not prepared; they had no strategic railways; their airfields were fewer and inadequately equipped; Vladivostock was not fortified; so that it is quite correct to state that the Japanese really lost an opportunity of invading and defeating Russia. Now they will have to keep themselves quieter in their relations with the Soviet Union. This seems to be for Japan the only way out of the situation, unless the Japanese wish to commit national suicide by inciting another world-wide conflagration.—*Peiping Chronicle.*

General Bluecher Accuses Japan of Planning War on Soviets

GENERAL Vassily Bluecher, now Commander-in-Chief of the Soviet Army in the Far East—better known in China as Galen, several years back advisor to the Communists at Canton—bluntly accused Japan of planning war against the Soviet Government in a speech before the Communist Party Congress in Moscow, Feb. 10.

Gen. Bluecher among other things alleged that:—Japan has built over 1,000 kilometers of strategic railways; 2,200 kilometers of roads; and has constructed about fifty airports. Japanese military strength in Manchukuo is placed by General Bluecher at 130,000 instead of the Japanese figures of 10,000, about 110,000 Manchukuo troops and 12,000 White Guards organized by the Japanese. The Japanese are also alleged to have 500 airplanes in Manchukuo.

"The Far Eastern region, which I represent here", General Bluecher said, "is one of the distant regions of our country, situated near the field of acute international political events of today, directly bordering on Japan, which is feverishly preparing for war. Under the conditions existing in the Far East we have keenly felt particularly the wise, prudent, and at the same time firm policy adopted by our Central Committee, which undertook every step in order to clear up the increasingly acute and thickening atmosphere of our relations with Japan. Unfortunately, the policy of Japanese imperialists does not afford us any assurance that we shall not be drawn into military complications, in spite of all our striving to avoid it. There is a tremendous gap between the words clothing the official policy of the Japanese Government in relation to the U.S.S.R. and the deeds. In spite of the seemingly peaceful statements of the official leaders of Japanese policy,

we see that feverish war preparations are going on, that Northern Manchuria has been turned into a drilling-ground, which Japan is preparing with desperate resolve, exhausting her whole State organism, in order to jump at the Soviet Far East."

Bluecher mentioned the various measures taken by Japan, showing that they are carried out not with the object of self-defence, but for an assault on the U.S.S.R. Firstly, the tremendous construction of strategic railways carried out by Japan which during the past two years has built over 1,000 kilometers of railway track in Manchuria, leading to the frontier of the U.S.S.R. Not more than 30 or 35% of these lines are economically expedient. Secondly, the construction of highways by the Japanese, who in the course of the past two years have constructed 2,200 kilometers of highways either in the frontier area, or leading from the interior of Manchuria towards Soviet frontier points in directions most advantageous for future strategic developments. Thirdly, the construction of airports by the Japanese who have build about 50 airdromes and aviation bases in the triangle Mukden-Harbin-Tsitsihar, and north of that region.

Reply to Gen. Hayashi

Speaking of the interview given by the Japanese Minister of War, Gen. Hayashi, on February 3, in which Gen. Hayashi understated the Japanese military forces in Manchuria and accused the U.S.S.R. of enormous concentration of troops on the Far Eastern frontier, Gen. Bluecher said:

"This wrong information must be refuted. We have absolutely precise information that, whereas Japanese forces in Manhcuria before the occupation of Manchuria amounted only to 10,000 men, there are now 100,000 there, which is over one-third of the whole Japanese army....To this we must add 110,000 to 115,000 Manchukuo troops, 12,000 White Gaurds capable of carrying arms, organized and united by the Japanese; while the Sungari military fleet has been reinforced during that period by 24 units.

"Gen. Hayashi complains that the Soviet Government has concentrated in the Far East 300 airpanes. We will not argue with him: may be less, may be more, I can only say that, if necessary, our party and our Government will be able to concentrate so many airplanes that they will certainly be more numerous than those of Japan." These words were interrupted by lengthy applause.

"But", continued Gen. Bluecher, "in spite of Gen. Hayashis' modesty, I must say that the Japanese have 500 airplanes in Manchuria, although they keep silent about it.

"All the enumerated measures prove the preparations of Japanese imperialists for a big war against us."

No Intention to Attack

Quoting further Gen. Hayashi's words alleging that Japan does not contemplate a war against the U.S.S.R., unless the U.S.S.R. herself attacks, Gen. Bluecher said: "I think that I express the general opinion of the Congress when I say that we do not intend to attack them, that we have no need to do so, that it is not necessary for us to seek new territories and riches, of which we have sufficient. We must build mines, blast furnaces, open hearth furnaces, railways, power stations, and not undertake war.

"Watching the military measures of Japanese imperialism we could not and cannot remain indifferent to them, and, therefore, measures have been taken for the defence of the Soviet Far East."

The speaker enumerated those measures, which included fortification of the frontier "girded with ferro-concrete and sufficiently solid to withstand even the strongest teeth. Any imperialist head intoxicated by military furies will break against these fortifications."

"The army has been reinforced with best cadres and brought to such a standard, both in regard to its strength and quality, that we can continue our work here peacefully and calmly."

Air Threat to Japan

"We are technically strong, with regard to tanks and aviation. Should we have to measure forces we shall come out victorious. Our tanks and aviation will be able to fulfil their socialist duty before the Soviet Union, not only on the frontier, **but also in some places in the deep rear of our imperialist adversary."**

Explaining the difference between the measures carried out by the Japanese General Staff in the Far East, and those undertaken by the Soviet Staff, Gen. Bluecher said: "Everything we do in the Far East is for the defence of our frontiers, while the measures of the Japanese General Staff have assault, as their object."

Speaking further of the economic construction work carried on in the Soviet Far East, Gen. Bluecher said: "Under the first Five Year Plan more funds have been invested in the Far Eastern region, than during the whole existence of the Tsarist government. The second Five Year Plan in the Far Eastern region is an enormous program for the Socialist industrialization of that borderland. The region has set itself to the task of developing large industries, metallurgy, mechanical industry, shipbuilding, the powerful development of transport, light and food industries. An exceptionally important task is the development of the coal base of the New-Bureya district, where prospected reserves of coal are calculated at 100,000,000,000 tons, and reserves of iron ores and copper—at 2,000,000,000 tons. The solution of the problem of Bureya in conjunction with the construction of means of transport on the territory east of Baikal Lake will transform the Bureya district into the second Kuznetsk basin."

Settling in Far East

The Speaker then dwelt on the tremendous importance of the decision regarding the various privileges for new settlers in the Far East, since the problem of population in that region, and of creation of a powerful stock-breeding and farming base, is of the utmost importance.

Concluding his speech, Gen. Bluecher assured the congress, on behalf of the Party organisation of the army, that, should hostilities break out in the Far East, the Special Far-Eastern Red Army, under the leadership of Voroshilov, of the Central Committee, and its leader, Stalin, will answer with such a blow as will make the strongholds of capitalism crack and in some places crumble.

The speech was repeatedly interrupted by loud applause, and at the end the entire audience gave the speaker a warm ovation.

Flood Relief Commission Issues 1933 Report

The report of the National Flood Relief Commission, including a complete list of donors, was issued Feb. 10 by the Commission to supplement the previously issued report which appeared in Chinese.

In his foreword to the report, T. V. Soong, chairman of the Commission, points out that the 1931 flood, known as the Central China Flood, must be ranked as one of the most disastrous natural calamities which the world has witnessed. The flood affected well over 25 million people inhabiting an area of 70,000 square miles. Approximately 140,000 persons were drowned, and the total loss is estimated to be more than $2,000,000,000. Despite the limited funds available by the commission, limited when compared to the magnitude of the work, no small amount of constructive work has been completed. Relief work was extended to 269 hsiens. Free relief was granted to about 5,000,000 people, while 2,500,000 people received medical attention.

Mongolia and Russo-Japanese Conflict

BY HARRY PAXTON HOWARD

JAPAN'S interest in Mongolia, the re-creation of a great Mongol district out of the Mongolian areas in Fengtien and Heilungkiang, the development of the movement for "independence" among the Mongols further west in "Inner Mongolia," the continued domination of Outer Mongolia by Soviet influence,—all these things make Mongolia of special significance today. There has been, indeed, some discussion at Changchun as to whether the new Manchu Empire should not be called the "Manchurian-Mongolian Empire," and it is possible that the matter has not been settled yet. However this may be, Mongolia has in the past few years gained a new significance, and not of least importance is its position as a ground of Russo-Japanese struggle.

While the pastoral Mongols have been pushed further and further towards the north and west by Chinese settlers in recent generations ,they still occupy an enormous territory, more than a million square miles in all, with a population of something over two million persons. There is, however, a natural dividing line—the Gobi Desert—separating "Inner" and "Outer" Mongolia. The latter territory, to the North, is physically and economically most closely associated with Siberia. "Inner" Mongolia, to the South, is oriented towards China, and it is this area which has been the main field of Japanese activities.

Early Raiders and Empire-Builders

For thousands of years the nomad horsemen of the northern plains were a constant menace to China. The Great Wall was built over two thousand years ago as a barrier against them, but one invading group broke through after another, and the more thoroughgoing went on from plunder and raids to the more permanent conquest of the country and establishment of empires. The Mongol Empire of seven centuries ago was the greatest the world has ever known, taking in nearly all of Asia and half of Europe under Genghis Khan, "conqueror of all men," though in greatness, in wealth, in civilization, none of the other conquered states were comparable to China. Here Kublai Khan, grandson of Genghis, founded the Yuan Dynasty, at what is now known as Peiping.

It was Kublai's studies, Christian cowardice or indifference, and Buddhist zeal, which were responsible for the Mongols' conversion to Lama Buddhism. The Khan, after much consideration, was so favorably impressed by the Christian teaching that he sent to the Pope asking for a hundred priests to teach the religion to his people. The Church, however, was too engrossed in its internal disputes to spend time on the conversion of the greatest of empires. Two monks were finally sent for the gigantic work, but these lacked the courage even to complete the trip, and turned back before reaching Central Asia. As a result, Kublai turned to the Buddhist lamas, in Tibet. These responded most promptly and zealously, and the Mongols were converted to Lama Buddhism,—a matter which was later to be of historical significance.

"Inner" and "Outer" Mongolia

These nomad conquerors lacked the cohesion to hold their great empire together, and their degeneration as rulers in the various conquered states soon made it possible for them to be displaced. First in China, then in Russia, later in South Asia, they were overthrown. There were still millions of Mongols roaming over the great plains to the north of China with their flocks and herds, but all that was left of their once mighty empire was a tradition. And Buddhist priests held in their hands the power of the land.

As the Mongol Empire disintegrated, the natural cleavage between "Inner" and "Outer" Mongolia, separated by the Gobi desert, developed. The southern Mongols had been under the rule of Chinese conquerors from time to time, but it was not until 1422 that Chinese rule extended to the northern Mongols, beyond the desert, the Ming Emperor Yung Lo conquering the northern Mongols in that year. He did not maintain his conquest for long, they soon regaining their independence. Early in the seventeenth century many of the Mongols to the southeast joined hands with the Manchus then rising to power, and participated with the Manchu and Chinese banners in the conquest of the territory further south, and in the privileges of power. Those beyond the desert, however, were not affected at the time.

Northern Mongols Choose Buddhist Empire

Towards the end of the century, however, the Mongols were badly beaten, and menaced with complete subjection, by Kalmuck tribes, and turned in desperation to neighboring empires. Their choice lay between the Manchu Empire (which as noted included Mongol banners) to the south and east of the Gobi desert, and the Russian Empire, which had already crossed Siberia and reached the Pacific. The Mongols, now being Buddhists, decided to appeal to the Manchus, and in exchange for protection became a Manchu dependency, sent tribute to Peking regularly, and were given a Chinese Resident at Urga and two military governors elsewhere. Chinese colonization, and intermarriage of Chinese and Mongols, was forbidden. Northern Mongolia retained practical autonomy, while eastern Inner Mongolia was closely connected with the Peking regime and subject to it. Chinese colonists migrated northward into the grasslands of Inner Mongolia, particularly during the nineteenth century, pushing the nomads further north towards the desert. During the present century Chinese colonization began in northern Mongolia as well, restrictions having been abolished.

This process of Chinese encroachment aroused much antagonism among the Mongols. Herding lands were taken by the immigrants, and incoming merchants and money-lenders victimized the simple nomads most mercilessly. Furthermore, some years before the fall of the Manchu Empire an effort was made by it to exercise fuller authority in Outer Mongolia, Chinese troops being brought in, taxes increased, and greater administrative control established.

Russia and Mongolia

These measures were the result of a new policy, attempted in other outlying dependencies of the Empire as well, resultant from the loss of one vassal state after another, from Korea to Annam, owing largely to the looseness of Peking's control. The menace in Mongolia was the Russian Empire, which had many years before marked out all the territory beyond the Great Wall, including both Mongolia and the Manchurian provinces, as her special sphere, recognized by Britain in 1899.

The caravan route across Mongolia was one of the great thoroughfares of Sino-Russian trade for centuries. In 1881 Peking granted the Russians the right to station consuls and carry on free trade in Mongolia, and to buy land and erect buildings for business or residence there. The construction later of the Chinese Eastern Railway, however, centered Russia's interest further east, with the goal as Liaotung and an ice-free port, while the new railway also much reduced the importance of the caravan route. It was not until Russia was driven out of southern Manchuria by the Japanese, therefore, that she began to show special interest in Mongolia again.

By that time, however, her sphere was limited to Outer Mongolia (and, of course, the northern part of Manchuria). Japan in her 1907 understanding with France for mutual support, which isolated Russia in the Far East, had obtained French recognition of Mongolia as one of the regions in which Japan had "special rights." In her 1907 secret treaty with Russia, therefore, Japan recognized Russia's "special interests" only for "Outer" Mongolia. Five years later Russia recognized Japan's "special interests" in eastern Inner Mongolia, extending as far west as the meridian of Peking,—which became in 1933 the western boundary of "Manchukuo."

In 1910 the Russians and Japanese discussed the annexation of Manchuria, the fertile fields of which were of much greater importance than was Mongolia, but nothing was done at the time, the Japanese holding off and merely annexing Korea. The Russians at the time were considering (and notified the American Government regarding) a railway running from the trans-Siberian line through Mongolia to Peking, via Kiakhta and Urga, but failed to put through this project wh ch would have linked them so closely with the capital of China. Russia decided, however, to "put pressure upon China" in connection with Mongolia, and approached Britain on the subject, asking under what conditions the British would support her. Russia agreed to Britain's "freedom of action and her privileged position in Tibet," while Britain recognized Russia's "exclusive sphere of influence in Northern Manchuria, Mongolia, and Western China" (exclusive of Kashgaria). Japan, more cautious, declared she was willing to support the Russians "in every individual case" upon their "submitting to her the details of the same."

Japan's caution was due to her desire to steadily enlarge her own "sphere" at the expense of Russia's, before agreeing to a joint annexation, which would establish a firm Russian barrier against further Japanese expansion northward in Manchuria and westward in Mongolia. In 1912, as noted above, Russia agreed to recognize and support Japan's special position in eastern Inner Mongolia. Early in the same year, in connection with the abdication of the Manchus and the holding up of recognition of the new regime until it should confirm all foreign privileges, Russia announced that she held "in North Manchuria, Mongolia and Western China special interests and rights," and reserved "the right to take such protective measures as may be forced upon her by necessity," while Japan announced that she "must make reservation as to eastern Inner Mongolia (bordering on South Manchuria)." In connection with the Reorganization Loan the same year the Japanese also made reservation regarding this area.

Outer Mongolia Breaks Away

In Outer Mongolia resentment by the Mongols at Chinese encroachments was successfully utilized by the Russian Government. In 1911 a Mongol delegation, bitterly regretting the decision of 210 years previously, sent a delegation to the Czar to intervene on their behalf against the Manchu regime. Russia addressed a note to Peking pointing out that the new measures taken by the Chinese in Outer Mongolia violated the agreement under which these Mongols came into the Empire, and declaring that Russia, Mongolia's neighbor, could not be indifferent to any "violent change in the status quo" in Outer Mongolia.

The collapse of the Manchu regime simplified matters. The Mongols expelled the Chinese Resident, declared Outer Mongolia independent, and proclaimed the Urga Patriarch (Hutukhtu) as "Great Khan." While they had already protested against the recent encroachments on their old rights by the Manchu regime, the claim was now made that with the establishment of the Republic their allegiance was wholly ended, their pledge being to the Manchu Dynasty, the overthrow of which automatically severed the tie.

The delimitation of Russian and Japanese "spheres" now became significant. Russia, supplying "independent" Mongolia with rifles, gave explicit instructions that these arms were "not to serve for the armament of Inner Mongolia," but were for "Khalka and the adjoining districts of Western Mongolia, for which purpose the Mongolians can reckon on our support." A Mongolian army was organized, with Russian military advisers, and in November 1912 Imperial Russia recognized Mongol autonomy and pledged its support, confirmed and expanded Russian commercial, postal, and other privileges and facilities, and recognized the Mongols' right to exclude Chinese troops and colonists.

A year later the new situation was confirmed by a Russo-Chinese Convention at Peking recognizing Chinese suzerainty over Outer Mongolia, while China recognized the area's autonomy and agreed to consult with Russia on its political and territorial matters. The Mongols, aiming at complete independence, were far from satisfied with this, but in 1915 finally agreed to it, the country thus becoming a sort of joint protectorate, both Russia and China agreeing not to interfere with the internal administration of Outer Mongolia or to station troops in its territories.

The Expansion Of "Inner Mongolia"

At the time of the secret Russo-Japanese treaty of 1912, the strip of territory to which the Japanese laid claim seemed comparatively insignificant, consisting of a strip of territory mostly desert, between the Gobi Desert and the Shara Muren, two hundred miles beyond the Great Wall. Between the Shara Muren and the Great Wall was the northern part of Chihli province, containing some 40,000 square miles of land, mostly fertile, and with a Chinese population numbering some millions.

Following this, however, "Inner Mongolia" suddenly and mysteriously expanded. Japan's 1912 secret pact with Russia had specified no southern boundary to "eastern Inner Mongolia," but only recognized "Japanese special interests in the part of Inner Mongolia to the east of the meridan above indicated." But not long after this, the Peking Government divided the great area of Chihli north of the Great Wall into two new administrative districts, Jehol and Chahar, divided, in the main, approximately along the Peking meridian. By this little process the Japanese were enabled to claim the area of these "Inner Mongolian" districts down to the Great Wall as their "sphere,"—including far more territory and many times more population than the little strip, mostly desert, which was formerly "eastern Inner Mongolia." (How the Japanese accomplished this administrative change, quite evidently in their behalf, is not at all clear.)

In the meantime, however, the Japanese were in no haste for annexation. Some elements among them, indeed, were thinking of Inner Mongolia as an excellent base of operations for the re-establishment of the Manchu Dynasty with Japanese support. Baron Goto, in his now famous pamphlet on Japanese activities in Manchuria and Mongolia, made this very clear, and mentioned Japan's arming of "Inner Mongolian" chiefs to aid this movement. Nothing came of this at the time, however, and it was two decades before the Japanese succeeded in re-establishing the Manchus.

The Struggle For Outer Mongolia

Autonomous Outer Mongolia covered the better part of a million square miles, with some 600,000 inhabitants. Mongol territory formerly extended east to beyond the Hsingan Mountains, but the Chinese Eastern Railway ran through this eastern Mongol area (Barga), and though the natives here seceded from China like their fellows further west, an agreement was signed with Russian mediation in 1915 giving the Barga area a special autonomous status, with a local chief as governor, military forces under his command, and with China not to send troops here without prior consultation with Russia. Chinese could lease land here, but were not to interfere with the Mongol herdsmen. Russia and the Chinese Eastern Railway were given first rights regarding railway construction.

The Urga regime was seriously affected by the Revolution in Russia in 1917. The Chinese Resident, who had returned to Urga some time before under Sino-Russian protection, had entered into secret negotiations from which emerged the fact that the Holy Father at Urga, and some of the Mongol princes, were prepared to consider the abandonment of their autonomy for a consideration, the sum being reported as $5,000,000. Peking had not yet supplied the money, however, when the Czarist regime fell. Ignoring its treaty pledges, the Peking regime forcibly established its power in Outer Mongolia, the Japanese-paid Anfu Government sending troops to Urga (for the professed purpose of attacking the Red forces in Siberia), and General Hsu Shu-tseng ("Little Hsu") going up himself in October 1919, forcing the Mongols to relinquish their autonomy and disband their troops, and negotiating with the Sino-Japanese Exchange Bank a loan of $15,000,000 on the security of the mining and agricultural resources of Mongolia. His soldiers, in the meantime, lived by plundering the natives. The Chinese historian Weigh Ken-shen remarks that "the hearts of the Mongolians were lost to the Chinese people as a result of the disgraceful and inhuman practices of General Hsu's unpaid soldiers, who set about killing the innocent Mongols, plundering them, and robbing them of all their belongings."

Japanese Control Of Outer Mongolia

The Japanese were now, through their Anfu servants, in control of Outer Mongolia. (Dr. Weigh remarks of that period that "Japan was subjugating China not with her armies but with the Anfu tools at Peking," and points out that Japan had "reason to think that it was really child's play to wrench Mongolia from China—a thing which would be impossible to do if Mongolia was lined up with her great rival Russia. Hence Japan welcomed Mongolia's coming back to Chinese administration, which played exactly into her hands.") The Anfus were driven out of Peking, but Chinese troops remained in Outer Mongolia, and Japanese-paid White Russians soon came in. Already in 1919 the well known Semenoff had been named as chief of a "Pan-Mongolian State" to extend from eastern Siberia (then occupied by foreign and White Russian troops) to Tibet, a scheme which, Weigh remarks, "would have meant a virtual Japanese protectorate over Mongolia and a long step forward towards a Tokyo-controlled political hegemony over all the Mongolians of Asia." Japanese agents, visiting Urga, persuaded the Patriarch to send a delegate to a "Pan-Mongolian" Conference, but this scheme was short-lived, the Red forces soon occupying eastern Siberia.

Another Japanese tool, however, the "Mad Baron" Ungern von Sternberg, fled into Mongolia after the "White" debacle in Siberia, organized with Japanese assistance a mixed force of White Russians, Mongols, and Buriats, and in February 1921 took Urga, perpetrating a fearful massacre of Chinese, Jews, and "unorthodox" Russians. (Some of the fleeing Chinese troops reached Kiakhta on the Russian border, and massacred over three hundred Soviet Russians—the "revenge" of savage ignorance.) Ungern now tried to establish the "Pan-Mongolian State"—an independent Buddhist

State with himself as supreme military chief and the Urga Patriarch as "Emperor,"—and for months carried on a reign of terror fantastic in its sheer magnitude of wholesale murder and atrocity. To the unfortunate Mongols, the shortcomings of Chinese rule seemed nothing compared with the mad regime of this monster, and the Patriarch "Emperor" sent an emissary to Peking pleading for the restoration of Chinese rule, while a group of younger Mongols gathered at Kiakhta and proclaimed the "Mongolian People's Revolutionary Government," also appealing for assistance against the madman.

In June, however, Ungern was so completely unbalanced as to attack Kiakhta, was utterly routed by the Red forces, and his long terrorized soldiers turned upon him. The Soviet forces followed up their victory and occupied Urga, where the new Mongol Government established itself. Japanese control of Outer Mongolia, whether through White Russian or Chinese tools, was at an end.

Outer Mongolia and the Soviet Union

The new "Mongolian People's Revolutionary Government" at Urga appealed to the Soviet Government to leave Red troops there "until the menace of the common enemy was removed." This request was acceded to, and on November 5 the Urga regime signed a treaty with the Soviet Government ending Chinese control in Outer Mongolia, the country becoming virtually a Soviet protectorate, with a number of Russian and other Soviet advisers. In its internal administration, the Government formed itself as a Party regime, with a centralized parliamentary organization, deprived the Mongol princes of their absolute power over their tribesmen, and eliminated the temporal control of the Hutukhtu and lamas.

The new Government informed Peking that it "cherishes no unfriendly feelings . . . and contemplates no hostile acts whatever" against China, and endeavored to establish amicable relations, but Peking ignored these attempts. Later, in negotiations with the Soviet envoys, Peking demanded the evacuation of Soviet troops from Outer Mongolia, to which Joffe responded that "the stationing of Russian troops in Mongolia concerns Chinese interests no less than Russian . . . It is clear to everyone . . . . carefully and substantially studying this question that the demand to withdraw these troops serves but the interests of only our enemies, both of Russia and China and of Mongolia itself." Dr. Sun Yat-sen recognized this, and declared that he did not regard the immediate evacuation of Russian troops from Outer Mongolia "as either imperative or in the real interest of China, the more so on account of the inability of the present Government at Peking to prevent such an evacuation being followed by a recrudescence of intrigues and hostile activities by White Guardists against Russia, and the creation of a graver situation than that which now exists."

When a Sino-Soviet agreement was reached at Peking in 1924, the Soviet Government recognized Outer Mongolia as "an integral part of the Republic of China," affirmed its respect for China's sovereignty therein, and promised that when the safety of the frontiers had been secured by a subsequent conference it would withdraw all Soviet troops. China seems to have done nothing to secure such safety, but according to reports Soviet troops were withdrawn some years ago, the Russian-trained Mongol forces being quite adequate for ordinary purposes of national defence. Outer Mongolia has remained, in theory, under Chinese suzerainty, but with no Chinese control whatsoever.

Strategical Importance of Outer Mongolia

Far Eastern Russia, obviously, would be placed in a most perilous position by the existence of a hostile military force in Outer Mongolia. Such a force would, in the words of Lieutenant Binstead in the *China Year Book* some years ago, "constitute a menace against her long line of communications with the Far East, and in the event of another war on the Pacific Coast Russia would have had to set aside a suitable force to watch these Chinese troops in case they attempted a sudden inroad towards the Siberian Raliway." This menace is certainly far greater today, when the danger is of Japanese troops paving the way for the Chinese and Mongol forces of "Manchukuo," Japan's puppet regime, and threatening the whole Russian Far East.

Areas to the east and west of Urga's territory took a different line of development. As to the Barga territory to the east, the Anfu Government at Peking in January 1920 unilaterally abrogated the 1915 agreement w th Russia. Barga became a part of Heilungkiang province, under Chang Tso-lin and later under his son. When the latter seized the Chinese Eastern Railway in 1929, the Soviet troops finally moved into this district, during which occupation a number of "Young Mongols" were reported to have entered Hailar and in January 1930 negotiated for recognition of their autonomy. The Soviet forces, however, instead of supporting the Mongols, withdrew. Fengtien forces were permitted to re-establish their rule in this area, and subsequently, of course, the Japanese and their "Manchukuo" friends established themselves.

To the west, in Tarbagatai on the border of Soviet Turkestan and north of Sinkiang, the Mongols remained under Chinese rule, though here this was more directly connected with the Sinkiang regime. This regime has shown no hostility to the Soviet Government, which shows no desire to alter the status quo.

Most Mongols Now Under "Manchukuo" Rule

As it stands now, most Mongols are under the rule of "Manchukuo." There are probably over a million Mongols in the Hsingan territory, including the Barga and other areas in western Heilungkiang and Fengtien, and northern Jehol. It is in association with these that the Mongol 'autonomy" movement in western Inner Mongolia gains significance. The Japanese have long been working among the Mongols, have educated and trained a number of them as leaders, and of course work with the princely and other conservative elements among them.

Still further west, in Chinghai and Sinkiang, the Mongol princes work with the Chinese authorities. In Chinghai, however, these authorities are largely Moslems. In Sinkiang they are Chinese, as noted above. In actual numbers, these Western Mongols are of much less importance than those of eastern Inner Mongolia. If all could be brought to a common acceptance of Mongol unity under "Manchukuo" and Japan, however, a crescent would be welded around Outer Mongolia, from Barga in the east to Tarbagatai in the west, which might be a serious menace to the Urga territory. There is little doubt that the Japanese aim at something of the kind.

Thirty Defendants in Julian Oil Company Collapse to Stand Trial

A dispatch from Oklahoma City, Feb. 10 stated that more than thirty defendants will appear on trial next March 19 in connection with the collapse of the Julian Oil Co., which was once rated as a U. S. $10,000,000 concern. The defendants will be tried before the Federal District Court presided over by Judge Edgar S. Vaughn. It is mentioned in the dispatch that C. C. Julian, promoter of the company, who is under Federal indictment on a mail fraud charge, is at present in Shanghai, where he has been residing since last Spring.

The Federal Court at New York has ruled that the President's Aug. 18 order against gold hoarding is invalid. The Government Feb. 11 filed an appeal with the U. S. Supreme Court.

The silver interests of the U.S.A. are making a determined effort to secure favorable legislation. Secretary Morgenthau predicts action on behalf of silver within a month. Silver prices have been rising gradually during the week.

President Cancels All Airmail Contracts

Following revelations of corruption in awarding airmail contracts during the Hoover administration, President Roosevelt. issued an order cancelling all domestic airmail contracts Feb. 9, effective on February 19, after which the army air service will carry mail. Officials of the companies concerned predicted a virtual paralysis in air passenger traffic pending the resumption of private airmail services. The order does not apply to the Pan-American Airways. Plans are on foot to make the airmail service a part of the Post Office Department, the latter owning and operating its own planes.

America to Control Radio and Telegraphs

The early enactment of a law providing for the creation of a Federal Communications Commission is foreshadowed. The Commission, it is contemplated, will control all telephone, telegraph, wireless and cable systems.

General Mitchell Says U.S. Government Is Controlled by "Merchants"

Former Brigadier-General William Mitchell stated to the House Military Affairs Committee, Feb. 8 that the "merchants" who were controlling the American Government under the administration of Presidents Calvin Coolidge and Herbert Hoover had wrecked "the nation's aviation development and plundered the Treasury, with the result that aviation development fell into the hands of racketeers who used it for stock market operations." He alleged that the Army only has 47 old and obsolete bombers, 150 pursuit planes and 79 observation planes for the expenditure of $187,000,000. He recommended that the aerial branches of the Army and Navy should be combined into a separate and distinct aviation service.

Professor Fleming Charges U. S. Senate Led World Into Legal Chaos

Through constant mutilation of treaties regulating international differences which have been submitted to it for ratification, the United States Senate, by its consistent bungling methods, has brought jungle law into the domain of international affairs—such was the bitter denunciation made in Philadelphia, Dec. 27, by Professor Walter Lynwood Fleming of Vanberbilt University in an address before the National Congress of Social and Economic Sciences. "The Senate," insisted the speaker, "is in a large part responsible for the political and economic chaos in which the world is now struggling, for it has constantly mutilated the treaties governing international differences which have come before it for ratification. If Japan invaded Manchuria, it was because the Senate on several occasions had given the assurance that the United States would not oppose this aggression.

Japan Discusses Possible U. S.-Japanese Outbreak

(By the Review's Tokyo Correspondent)

(Translations from various Japanese publications)

American vs. Japanese Navies

(By Masanori Ito, Gendai, Oct. 1933)

THERE is no denying that the Japanese navy is facing the American navy across the Pacific Ocean. These two navies are in a position of imaginary enemies against each other.

By an imaginary enemy Power we do not necessarily mean that Japan is exposed to the danger of receiving attack from Soviet Russia from land and from America and Britain from the sea, though she has no intention to attack either of them. It may be that these two naval powers have no design to assault Japan, but they possess power strong enough to attack her. Especially, the United States is provided with navy sufficiently strong for advancing to our shores.

Navies of today are better able to practise a long cruise than those of the past. It would be an easy affair for the American navy to make a raid on our shores from its base of Hawaii, and after a few days' engagement return to the same naval base. Likewise, it is not difficult for our navy to do the same by advancing as far as the waters of the Hawaii Islands. Such an efficiency of the navy will be further promoted in future. It is not therefore too much to say that the Pacific Ocean has been greatly narrowed by the modern navy.

Such being the actual relations between the two Powers on either side of the Pacific, if one of them reduce her navy the other side can do the same, because by so doing neither runs the risk of imperilling "safety"—which is the basic object of armaments. It is in this sense that disarmament is welcomed; both the Japanese and American navies have reduced their strength by over 30% since 1920. The question is to find the point of agreement concerning ratio of reduction between the two countries. This being the most difficult point in conducting the disarmament conference to a success, the next Washington Conference to be opened in 1935 must be conducted with the grestest care so that a true understanding may be made among imaginary enemy Powers.

As regards the existing conditions between the navies of Japan and the Unites States, they have been engaged in a naval construction competition since 1916, somewhat similar in nature to that conducted between Britain and Germany from 1900 to 1914.

Upon her emerging victorious from the Russo-Japanese War Japan temporarily lost an imaginary enemy, but it was not long before she recognized the United States as geographically an imaginary enemy, which had a navy strong enough to make its appearance in the waters of the Far East. Since 1905 Japan gradually expanded her navy until 1920 when the bill for augmenting the navy up to 8-8 strength was passed in the Diet. That the expansion since 1915 has been conducted with an eye on the American navy is undeniable.

Turning our eyes toward the United States we find that it was not until 1916 that she showed a marked sign of naval expansion. It is since 1916 when the bill for the construction in three years of 10 battle ships, 6 cruisers and 200 auxiliary vessels was introduced and passed in Congress that the idea of an imaginary enemy was imprinted in the minds of the two nations on either side of the Pacific Ocean. Then opinions openly declaring the need of bringing pressure upon Japan were raised, which roused the people of Japan from the peaceful dream of befriending America. Had there been no such an astoundingly big naval construction plan on the part of America, Japan's schedule to construct her navy up to 8-8 strength might not have materialized, for under ordinary circumstances it is unthinkable that she could decide on defraying one-third of the aggregate budgetary estimate of Yen 1,500,000,000 for building war vessels. Thus it may be said that it was the big navy program of the United States that is responsible for Japan's 8-8 squadron plan, while on the part of the United States she may insist on tracing the cause of hers to the 8-4 strength plan formulated by Japan in 1915. In this way the relations between them resembled those of Britain and Germany during 1900-1914. In fact their construction competition might have culminated either in financial ruin or war if it had not been for the decision reached at the Washington and London Conferences.

Because she withdrew from the League, Japan realized the need of augmenting her state defense. It is a question whether the mandated South Sea Islands will remain under her administration after she really quits the League in 1935. If Japan is determined not to part with same her national defence should be strengthened to successfully meet an emergency whether she likes it or not. Naturally, the Japanese navy in order to provide for 1935 was compelled to expedite the construction to the treaty limit.

The South Sea Islands are for Japan a life-line on the sea; they are particularly valuable for her defensive strategy. This is why the navy construction is expedited. The same can be said of the air forces.

The elaborate preparation on the other side of the Pacific created uneasiness in American minds. Although it is out of the question to think of Japan's waging battle against the United States, yet it cannot be helped that the latter views the situation from a different angle. Naturally, to blame America for her supplementing armament for such a reason is not justifiable. The United States is now ready to embark upon construction in real earnest.

If war between the two countries cannot be avoided, a decisive battle would no doubt be fought in the neighboring waters of our country, which is not only America's strategy but also the scheme of the Japanese navy. That is to say, against America's offensive position Japan would take a defensive situation. The fact that most eloquently endorses this prediction is that the Unted States strongly insisted on having the ratio of 160 against Japan's 100. If the United States is satisfied with limiting her activities within the bounds of defensive strategy she could be satisfied with 30% superiority. As another evidence I may mention about the design of war vessels; while those of the United States are so designed as to endure a long cruise, those of our country are the contrary. Besides, even at present when the country has left the League of Nations to find herself internationally isolated, it is expected that she will not demand above 80% (though this is not applicable to certain kinds of vessels). All these clear facts most eloquently speak for Japan's non-intention to challenge any of the countries on the globe.

Where Does the Second Washington Conference Lead Us?

(By Matsuji Munee, Shukan Asahi, Jan. 21)

Secretary of the Navy Swanson, who is a supporter of a big navy, handed the President a statement on the 1933 navy and remarked, "Up to this time the United States has continued reducing her armament but finds it impossible to further set the example for the rest of the world. The disarmament of the United States has invited a world crisis instead of contributing to its peace promotion. I insist on upholding 5-5-3 ratio among Britain, Japan and the United States. Nothing is now left for us to pursue than the construction of our navy up to the London Treaty limit." With the conviction that there is no hope for the success of a disarmament conference and that construction is the only alternative, he proposed the building up of the largest navy in the world,—which plan he submitted to Congress.

That Japan is strictly opposed to the present ratio of 5-5-3 is clear from the statement handed to the American pressmen on September 13, 1933, by Navy Minister Osumi. This can be taken as a declaration of the country's decision to demand a higher ratio at the second Washington Conference in order to ensure her state defense.

Vice-Admiral Nobumasa Suetsugu, who shoulders the entire responsibilities of our navy, says, "The spirit of disarmament makes it the basic principle to ensure the equality of the right to possessing armament and defensive works. How could the world peace be established by nations some of whom enjoy 100% while another has to be satisfied with 60%? It is regrettable that because of the existence of the disarmament agreement the relations among nations are more hurt than bettered, the relations between the United States and Japan today are a striking example of this tendency. Since Britain and America want to maintain status quo while Japan insists on seeing it improved to her advantage, it is out of the question to hope for an agreement among them unless a certain extent of concession is made on both sides."

Judging from these opinions expressed by leaders of the two countries, we cannot help thinking that the conclusion of an agreement at the next Washington Conference may be impossible.

It is surmisable that Japan, in view of the outbreak of the May 15 incident, will push her demand most earnestly.. If the conference ends in a failure, building competition will follow amidst a critical atmosphere.

According to soldiers who form the backbone of the country the naval construction competition is no cause for them to worry, because if the United States became absorbed in the construction of large-type vessels they on their part would meet the competition with the building of smaller vessels such as submarines. Besides, to effectively carry out her competition the United States will have either to improve the Panama Canal or dig a new a canal in Nicaragua, because it is impossible for a warship of over 35,000 tons to make use of the present Panama Canal. It is for this reason that at the Washington Conference she limited the tonnage for a battleship to 35,000 tons. The Japanese officers state that if Japan constructs and floats on the Pacific a few 45,000 ton class vessels with monstrous guns as scheduled at the time the 8-8 squadron was planned, the United States would be taken aback.

Seen from the scientific standpoint as set by Lanchester of Britain, it is not to the advantage of our navy to have their various classes of war vessels limited in tonnage; all that Japan has to do is to freely formulate her state defense measure, throwing off the yoke of Washington and London Treaties. Among our navy men the idea is gaining in power that even if the country concludes an agreement through the concession of Britain and America, she must see to it that the tonnage limitation is made in such a way as—how many

for main vessels and how many for auxiliary ones, and no subdivision is made, so that in this way the Japanese navy may formulate its own independent program of construction and establish its own strategy. All these viewpoints serve to endorse the gloomy prospect of the second Washington Conference. Success or failure depends entirely on the attitude of Britain and the United States.

On March 17, 1935, Japan formally withdraws from the League of Nations. The question of Japan's mandated territory in the South Seas will then put its head up still higher. The League will demand the return of the old German possessions, whereas Japan, in view of the fact that she adopted C form mandate to save the face of the League of Nations, will flatly refuse the demand. Amidst this diplomatic whirlpool in which Japan will find herself playing the most important role, the second Washington Conference will be opened, thus pushing the steamship, *Nippon-maru* into the vortex of the angry sea. The nation must be perfectly ready for such an emergency.

War Between Japan and America Is Unavoidable

(*By Chokume Matsuo, Seikai Orai, Feb.*)

Recently we find such books as "No Possibility of War Between Japan and America" or articles on the impossibility of the outbreak of war between Japan and America. These, in my view, are nothing but a silly talk by masked pacifists. The relation between the two countries seems to have become so tense that we feel we can no longer listen to such nonsense-mongers. Admiral Pratt of the American Navy once remarked, "The United States may in future have to support China and fight a certain Power." How can we remain idle? People will remember that Mr. Noki, Japan's foremost novelist, has got angry at such silly talks by masked pacifists, though he is not an authority on military affairs. I, too, am quite dissatisfied with the prevalence of such nonsense.

It is not only America but Japan that has vital interests in China which must be safeguarded at any cost. Japan and America are pitted against each other not only as regards China but also with regard to the mastery of the Pacific Ocean. Accordingly, their frontal clash is a question of time and chance.

The author of the "No Possibility of War Between Japan and America," Retsu Kiyosawa, the late Dr. Nitobe and those who eulogize things American maintain that when the international relations have become so close as at present the outbreak of war between Japan and America is hardly possible. Some even hold that another World War would follow it, but I believe this forecast is an illusion because it must have been born of the present condition of Japan which, as Tsunego Baba says, closely resembles that of Germany before the European War. As a contrary evidence I may point out the fact that if the time came when war threatens to break out between the two Powers, what country in the world could bring upon them the pressure strong enough to prevent the arme conflict? Britain, for instance, would remain neutral in order to acquire more overseas markets and to recover her influence lost after the European War. Besides, it matters little for Great Britain which of the warring nation emerges victorious. It is also unreasonable to imagine that she would go to the American side at the cost of losing her overseas possessions.

There is a view that a British arbitration would quickly put an end to the war, but this is a talk in sleep. It would be impossible for Britain to offer conditions favorable to both sides. Besides, it is nonsensical to think of other Powers' offering the service of mediation.

All this theorization endorses the contention that "there is always possibility of the outbreak of war between Japan and America any time they find it necessary to go to war." However, it is impossible to predict when it will happen. At the time of the outbreak of the Manchurian Incident and the Shanghai emergency America must have had sufficient reasons for..... Why did she take a neutral attitude? The answer is quite simple: the main reason can be traced to Japan's assuming an extremely strong attitude, which threatened to develop into an armed conflict with any nation that dared intervene in the affair.

Frankly speaking, there is no prospect for America's emerging victorious, judged both from her military and naval preparedness, although the situation may present a different aspect toward the end of 1936. And it is not at all unreasonable to predict that the United States will have to use prudence and refrain from coming into frontal collision with Japan at least until toward the close of 1936. If there is a clash between the two countries across the Pacific Ocean it will neither be a creation of a novelist nor jingoists but that of the hand of the natural current of circumstances. Therefore, no temporary patch-work would be able to prevent it.

There are those who have apprehension that even though Japan prove herself stronger in armed fight her fate might be sealed in consequence of her weak financial strength becoming a heavy burden upon her shoulders. If a bigger nation could always emerge victorious in a war with financially inferior smaller nations, the world ought to have long ago been placed under the reign of one or two strong nations. Japan's financial strength was far inferior to that of Russia at the time of the Russo-Japanese War, yet she was victorious as the world knows. And after the war her growth was really phenomenal. We may cite as another example the war between England and Transvaal. In every respect Transvaal is beyond comparison with Britain, but for England to assure victory it took two years and seven months and Yen 2,200,000,000 war expense, reinforcing the army from the home land with the troops gathered from overseas territories. From this fact and a few other similar examples we are able to infer that the petty difference in national wealth between Japan and America could be levelled by the difference in war expenditures.

In the European War Germany spent Yen 66,600,000,000 for four and a half years' desperate struggle and Italy used Yen 17,000,000,000 during 40 months' engagement, whereas the United States, who took part in the war in a mood of mingling herself among the throngs of a festival, defrayed as war expense Yen 46,000,000,000 and that in so short a period of months. In a war with Japan an enormous expenese would be required for her navy's having to fight 5,000 nautical miles away from home.

As regards the war fund to be required for the war, it is difficult to calculate but the expense necessary for the army's occupying the Philippines and Guam at the beginning of the war may constitute the main items. After that expense required by both army and navy or their defensive operation would be negligible. The situation this time is quite different from those of the Russo-Japanese War. Indeed, Japan has nothing to spend money for. Furthermore, the economical clothing and food for the Japanese soldiers and their low salaries should be taken into consideration.

With reference to our overseas trade, we need not be pessimistic as is feared in some quarters. It is her market in Canada and the United States only that Japan would lose through the war and suffer the loss of Yen 700,000,000 business yearly, whereas on the part of the United States her loss would be greater, for her market in East Asia would be closed up, thereby suffering the loss of Yen 900,000,000 export trade.

Remember the position of the country before the outbreak of the Russo-Japanese War. There might have been not a soul in the world who dreamed of Japan's defeating Russia. To regard with too much apprehension the outbreak of war between the two countries is detrimental to the nation's prestige and spirit of self-respect. The Japanese ought to foster a little more spirit of relying upon thrir own country.

Shanhaikwan Is "Returned" to China—With Strings

According to Peiping advices the control of Shanhaikwan Walled City was returned to the Chinese at 11 o'clock a.m. Feb. 16. The raising of the national flag over the Administration Building, and the firing of 11 guns marked the occasion. Both Chinese and Japanese officials made speeches, after which a group photograph was taken. All administrative organs were taken over, but the Japanese retained the Manchukuo Post and Telegraph Office, the Manchukuo frontier police station and the customs, passport and quarantine stations which have been functioning at the railway station. Of the Manchu organs within the compounds of the railway station, only the police headquarters have been removed to Locheng. On the score that the barracks outside the walled town are too small, part of the Kwantung Army Gendarmerie Corps will move into the walled town. The Japanese Special Military Mission will remain in the walled section of the city. The local unit of the Japanese Kwantung Army has decided to build new barracks outside the Locheng walls to be stationed there permanently. The Kawai corps sent from Tientsin, however, will move out of the present site.

Five Are Graduated at Nantungchow Christian Hospital

The Nantungchow Christian Hospital for Nurses, last week conducted graduation exercises for five students who completed the four-year course of study and passed the examinations of the Nurses Association of China. One of the graduates has become a member of the nursing staff of the P.U.M.C. hospital at Peiping while a second is entering the training school of the Shanghai Women's Hospital after the Chinese New Year. Two of the three remaining graduates have become members of the local hospital staff in Nantungchow.

Major Kuga's Memory to Be Honored with Military Shrine

The late Major Kuga of the Ninth division in Kanazawa, who participated in the Shanghai hostilities of 1932 and later committed suicide as he was taken prisoner by the Chinese forces at Kiangwanchen, will be enshrined in the Yasukuni Military Shrine in Tokyo, on the occasion of the third anniversary of his death in Shanghai. The special festival of the military shrine, at which the late Major Kuga, will be enshrined, will take place some time during the latter part of April. The Japanese Emperor will attend the ceremony.

Chinese Government Railways

Shanghai-Nanking and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Shanghai-Nanking Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow, known as the "Garden City of the Orient," Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the "Gate of the Yangtze River," and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with such picturesque surroundings that it has been well called the "Switzerland of China." Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai North Station.

Tsingtao Is Still Under Japanese Domination

BY C. Y. W. MENG (孟 昭 永)

TSINGTAO, or the "Green Peninsula," as the Chinese call it, the gateway to Shantung Province, one of the most important harbors in China, both from the standpoint of trade and national defence, is another place in China which is normally under the Chinese flag and administration but actually under foreign political and economic domination. The history of Tsingtao under foreign control dates back to the time when imperialistic Germany, taking advantage of the murder of two German missionaries by the Chinese robbers in Kaichwang, near Yenchowfu, and under the pretext of paying "respect" to the Chinese naval authorities, and to hold naval maneuvers in Kiaochow Bay, despatched four cruisers and landed 600 marines to take possession of strategic points, before the Chinese officials were aware of what the Germans were doing, and followed this up by landing a force of sailors to take and capture Tsingtao and Kiaochow Bay "within three hours" and "without firing a single shot."

When the Germans were kicked out, the little "Green Peninsula," instead of being returned to its legitimate owner, witnessed only the ingress of another foreign aggressor to govern it. One of the motives which impelled the Chinese Government to address a protest to the German Government in March and to declare war against Germany on August 14, 1917, was a hope to secure a voice in the peace negotiations at the end of the struggle and to be able to participate in the discussion of the disposition of Shantung. Eventually, Dr. Wellington Koo, the Chinese delegate to the Conference, emphatically demanded that "one quarter of the human race asked for the restoration of the territory which had been wrested from her by force." But the decision of the Council of Three was not in our favor, and was received in China with a storm of opposition. For this reason, China did not sign the Versailles Treaty.

China put up another fight at the Washington Conference in 1922 for the recovery of "lost territory" in Shantung. The representatives of the Shantung People's Union in Washington declared that "no decision of the negotiators unfavorable to the Chinese people would be approved at home and that no effort would be spared to obstruct any conclusion contrary to the wishes of 38 million persons involved in the award." After "seventeen conversations," Japan finally agreed to return Tsingtao to China, largely due to the timely change of Japanese policy from militaristic to one of co-operation and proffered friendship, with the desire to win the confidence of the Chinese.

China's "Opportunity" Not Grasped

That is to say, Tsingtao was restored to China only after half a decade of struggle, and only under a situation which was quite favorable to China, and only due to timely change of Japanese policy to China. The Chinese should therefore have grasped the opportunity to exert full control over Tsingtao so as to demonstrate her ability of administration. But events after the restoration proved to be quite disappointing to us.

With exception of the first administration under Dr. C. T. Wang's directorship which was very short-lived, and with perhaps one or two outstanding exceptions, the subsequent appointees have proved very poor administrators.. Due to the chaotic political situation within, Tsingtao has suffered just as much as other places. Through years of mis-rule and negligence on the part of the Chinese, Tsingtao has not only not shown no sign of changing from something which is Japanese to Chinese; but on the contrary, Tsingtao remains and shows every sign of being Japanese under Japanese domination, political and economic.

Tsingtao, Chinese or Japanese City?

A short time ago, the Japanese throughout the world held a celebration in commemoration of the birth of a prince to the Japanese emperor. Some Chinese pressmen happened to be in Tsingtao at that time. During the celebration, the whole city of Tsingtao was beflagged with Japanese national flags. The street was packed to its fullest capacity with Japanese paraders. Street traffic was almost blocked. The Japanese "armed police" were patrolling the streets. It seemed as if Tsingtao were "Japanese territory"!

When Tsingtao was under the Japanese control, Japanese named the roads as certain "ting" (Japanese word for road or street.) After restoration, the word—"ting"—was changed into "lu" (Chinese word for road or street.) But to our great surprise, such change is only nominal, for the street boards bearing the names of the roads in the term of "ting" are still in existence everywhere. The first impression of visitors to the Far East is that Tsingtao is a Japanese city rather than Chinese.

Japanese Economic Domination

According to reliable statistics, the total Chinese investment in industries in Tsingtao amounts to about $100,000,000. But the Japanese investment is ten times that. The capital for eight Japanese cotton mills alone is already $500,000,000.

Due to general depression throughout this country, most Chinese native merchants in Tsingtao have become bankrupt. The easiest way out for them is to mortgage their immovable property to the Japanese land company in Tsingtao. The Chinese banks used to impose many requirements for lending out small sums at high interest, while the Japanese land company in Tsingtao is willing to lend out large sums with small interest. Through this proccess the ownership of houses in Tsingtao largely falls into the hands of the Japanese.

Nine out of ten of the goods imported from foreign countries are Japanese goods, the chief of which are white sugar, cotton yarn, etc., being all daily necessities of the Chinese. So one says that "Tsingtao is full of Japanese goods."

Like the Hongkong & Shanghai Bank in Shanghai, the Japanese "Specie Bank" in Tsingtao controls, regulates and manipulates the finance and currency in Tsingtao.

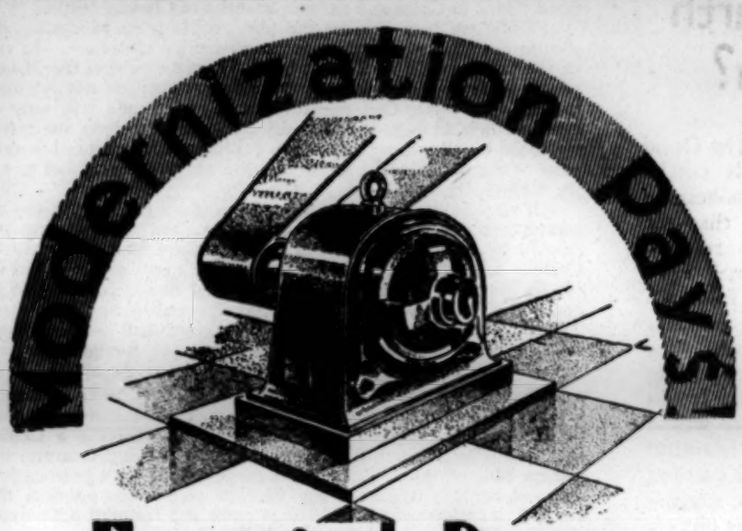
Japanese Monopoly in Fisheries

The Japanese in Tsingtao have some sort of organization for sea-products. That is, all the sea-products should be sent to this organization through which they are distributed to fish-dealers for sale. Apparently the idea is to monopolize the fishery business in Tsingtao. The Chinese mayor ordered the Chinese to have a similar organization to function in the same way. But there is one great handicap with the Chinese. The Chinese fishing methods and fishery boats are mostly of mediaeval type, and can not fish in deep sea. On the other hand the Japanese fishing methods and fishery boats are of 20th century type—that is, by steam fishery boats and iron nets, etc. The Japanese can fish three times as efficiently as the Chinese. In the event that the Japanese fishery boats fail to come, Tsingtao at once experiences "not enough fish to eat," and the price of fish at once goes up very high, for the supply is far less than the demand. It is a great pity indeed that China could not take steps to prohibit the citizens of foreign nationalities from fishing in Chinese waters, but at the same time, China can not compete with her neighbor in the fishing industry. The result is that the fish industry in places like Tsingtao, which should be a Chinese monopoly, is now in the hands of the Japanese! If we boycott the Japanese fish, we are merely boycotting our own fish; for these fish come from Chinese waters.

Smuggling Through the Japanese Is Prevalent

One of the great sources of customs revenue in Tsingtao is the import duty on imported sugar, which comes practically exclusively from Japan. It is estimated that the revenue from sugar is about one-third of the total customs revenue in Tsingtao.

But since June of 1932 up to the end of 1933, not a single picul of sugar has ever been imported. Apparently, this has been due to the Chinese boycott. The only explanation is that the importation of the Japanese sugar into Tsingtao is no longer passing the proper channel through the customs station in Tsingtao, but is passing by other means through some other places around the Mi-hsien by Japanese boats in order "to evade the Chinese customs taxes." From Mi-hsien to Tsinan (capital city of Shantung Province), it is estimated there is about 160,000



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piculs of sugar in godowns. Assuming that the customs tax per picul is $16.00—which is the usual rate of taxation—the total sum will be somewhere around 2 million and half dollars. Just imagine the tremendous loss to the customs revenue in Tsingtao annually, through the smuggling by the Japanese, through Japanese boats and agents and under the Japanese flag! What is true of sugar is equally true of other Japanese commodities imported into Tsingtao. Such smuggling is an open secret, for practically everybody in Shantung who is familiar with the Japanese activities knows it. The only point is that the Chinese are hopeless before the situation.

Japanese Opium Business Prosperous

Due to the rigid suppression measures enforced by the Chinese authorities, the opium business in Tsinan is not so flourishing. But as to the places along the Kiaochow-Tsinan Railway (about 800 li in length) where most Japanese citizens take up residence, the opium business is very prosperous. The signboards for "companies," "dispensaries," etc., are mostly smoking houses managed by Japanese citizens. We remember, in his memorandum submitted to the League of Nations, Dr. Wellington Koo said that there are about "20,000 Japanese" engaged in opium business along the Kiaochow-Tsinan Railway. Due to the existence of the extrality, the Chinese authorities could do nothing to apprehend the Japanese outlaws. Apparently, the idea of running the opium business is not so much to make money, but rather to demoralize the Chinese masses. But one of the places for the importation of the opium into Shantung is through Tsingtao.

Future of Kiaochow-Tsinan Railway?

According to the agreement, the Chinese would have to redeem the Railway in 15 years; that is at the end of 1937—only three years more! Will the Chinese actually pay the cost and bring their Railway under pure Chinese control or will the Japaneese aggressively take over the Railway on the ground that the Chinese have failed to live up to their words? All these problems have great concern with the destiny of the "Green Peninsula," which should not escape our attention.

George C. Hanson Receives Appointment in Moscow Under Bullitt

The personnel of the new United States Embassy at Moscow, recently made known, includes three man in the American consular service in the Far East, the outstanding appointment being that of George C. Hanson, who was deputy Consul General at Shanghai during 1911 and 1912 and who is now Consul-General at Harbin, who is to be transferred to an important diplomatic post under the U. S. Ambassador, William C. Bullitt. Mr. Hanson is a Cornell graduate, and an expert on Russian affairs. He has resided at Harbin since 1921. Angus I. Ward, who is Consul at Tientsin and who for many years was stationed at Hankow, will also form part of the Moscow Embassy staff. The third appointee is E. Lee Murray, who is now stationed in Peiping.

C. E. C. Official Denounces Socialistic Films

Chen Lih Fu, member of the C.E.C. of the Kuomintang, in a recent interview with the *Chen Pao* made the following statement: "The Chinese film industry has made remarkable progress and the people welcome native productions. Certain film magnates, however, do not understand that stories which suit the tastes of the people should be filmed. Films which favor socialism deceive the people and will not develop the industry. Films which instigate class struggles will not promote a spirit of patriotism in the people. All Chinese film magnates should understand that radical pictures will not be tolerated."

Soldiers Are Given Land in South China

The authorities of Kwangtung province have set aside an area of 24,000 mow of fallow land to form the first soldier settlement. This area is in Waiyang county and soldiers are to be settled on this land as farmers. It has been found that the land is suitable for planting sugar cane. Working capital and fertilizers are to be provided by the sugar refineries in the province. To make the proposition more attractive wage rates prevailing in the settlement will be 10 to 20 percent higher than the average.

Will "The Good Earth" be Filmed in China?

BY PAUL K. WHANG (汪仲芳)

Whether Mrs. Pearl Buck's best-seller, "The Good Earth", will be filmed in China or not is still a question. Statements from the official spokesmen are as conflicting as contradictory. It seems that the officials concerned have not yet been able to reach a definite decision on this matter at the present time.

A few weeks ago, George Hill, Metro-Goldwyn-Mayer director, accompanied by a number of technicians and cameramen came to Shanghai with the purpose of securing the permission of the Nanking Government to film "The Good Earth" in China. It was announced that different characters in the picture would be played by the Chinese themselves, that beautiful Chinese sceneries would be incorporated in the picture, and that the producers would readily accept the suggestions of the Chinese government in producing this picture without offending the sentiments of Chinese people.

Right after the arrival of the M-G-M people, the Ministry of Interior of the Nanking Government proclaimed that the screen version of "The Good Earth" would be strictly censored before M-G-M people would be allowed to start filming the picture in China. "This is necessary", said the government spokesman, "in order to prevent the inclusion of parts in the movie screen which, if not censored, would affect the prestige of the Chinese people."

On January 30 a report appeared in the local press stating that the Nanking Government had turned down the application of the M-G-M people for permission to film "The Good Earth" in China on the ground that the book contains allusions prejudicial to the dignity of the Chinese race. That report, however, did not indicate whether the screen version had ever been submitted to the Ministry of Interior for their review, and whether the government action was based on the result of their review.

Then again on Feb. 6, according to the local press, a spokesman of the government, while denying that the government had placed a ban on the filming of "The Good Earth", stated that a representative of the American film company concerned was conducting negotiations with the government, and that coversations were still in progress.

As a result of these conflicting reports, the public interest has been very much aroused, and those Chinese who have not yet read through that book are anxious to have a look at it in order to find out why the government should take such a great care in censoring the screen version of that famous novel. Incidentally, the sale of Chinese copies of "The Good Earth" has been very much increased.

To the liberal Chinese, Mrs. Buck's novel represents the best tale of Chinese rural life under a foreign pen. The authoress illustrated with her pen the virtues and characteristics of Chinese rural people, and informed the world at large of the social conditions of the rural districts in China. In Wong Lung, we have a typical Chinese farmer whose patience, perseverance and hard work have carried him to fortune and success through thick and thin, and in O-Lan, we have a typical country woman whose faithfulness, frugality and devotion to duty have been protrayed vividly in great contrast with the modern women

But to the narrow-minded people, her allusions to opium-smoking, concubine-taking and brigandage are prejudicial to the prestige and dignity of Chinese people. Because of these allusoins, the book is branded as anti-Chinese, and therefore its filming in China should be strictly banned.

While we may have reason to voice our objections to the allusions of opium-smoking, concubine-taking and brigandage, we, however, can hardly justify ourselves in condemning that book and banning its filming in China simply because of these allusions. As a matter of fact, under the supervision of our government, the picture can be easily produced in such a manner as to uphold the prestige and dignity of Chinese people, and at the same time propagate the good things in China and the fine qualities of Chinese people.

While we may prevent the film people from producing that picture in China, we can not ban its production elsewhere. In view of the wide circulation of that book, we are sure that the M-G-M people will not give up their project in case they are not permitted to film in China. Our non-compromising attitude will only exacerbate their feelings and intensify their desire to have the picture produced by all means. They can easily have it produced in other parts of the world, and engage Japanese actors and actresses to play the Chinese characters

If such be the case, the Chinese goverment can not exercise any power of supervision over its production. The picture thus produced may be really prejudicial to the prestige and dignity of the Chinese people, because the producers may make much capital out of the evils of Chinese life without giving due recognition to the good qualities of Chinese people as portrayed by Mrs. Buck. Therefore if we withdraw our permission, we shall not only defeat our intended purpose, but will also encourage foreign film producers to misrepresent China and her people on the screen.

That China and her people have been very much misrepresented on the screen in the past has been a cause of many complaints to the Chinese people. In American films, wherever a Chinese character is introduced, he must be an ugly looking creature with a queue hanging down his back and his part is always a personage of the underworld; wherever any Chinese scenes are adopted they are laid in Chinatowns of American cities and featured with rowdy scenes in the chop-suey houses, in the fan-tan joints and in the opium-dens. Formerly we assumed an attitude of indifference and indulgence toward these wilful misrepresentations. Of recent years, with the awakening of national sentiments,we have raised a great cry against these misrepresentations. We have lodged protests with the American Government, and refused the importation of these pictures which we dislike.

But we can not prevent the foreign film producers from misrepresenting China and her people by lodging protests with the foreign governments and banning the importation on undesirable pictures to our country. We have no other way to rectify these misrepresentations than inviting the foreign film producers to come over to China and show them the good aspects of our life and the beautiful scenery of our country. I am sure that the foreign film producers will not be persistent in incorporating ugly scenes of Chinatowns in their pictures, if they are given facilities to make pictures here. Now the M-G-M people on their own accord came to China with the intention of producing a real Chinese picture, and they reiterated their readiness to accept the suggestions of the Chinese government. Will it be right on our part to turn down their application and refuse their filming because of the fact that the book on which they base their picture contains a few allusions objectionable to us?

In the present case, what we should do is to extend our cooperation to the M-G-M people and exercise our power of supervision during the time of its production. If we object to the inclusion of opium-smoking, concubine-taking and brigandage in the picture, we can request them to have these objections omitted from the picture. With these objections omitted and beautiful Chinese scenery incorporated, this picture, if produced, will do much to remove the bad impression which the foreign public may have toward China and her people.

At the time when our native film industry as yet at its infancy, we must rely on the foriegn film producers to propagate our cause and interpret what is good in Chinese life to the foreign public. Therefore, we must readily extend our cooperation to the foreign film producers and invite them to come over to China to have pictures produced under our supervision. It is only through this cooperation that China can be truly and faithfully represented on the screen.

It is generally conceded that the motion picture of today wields a great influence over the public mind, because it reaches the people of every class and every race. Its influence is even considered as being greater than that of newspapers, because mere words are not as expressive and convincing as pictures. It is true that there are many American film producers who are eager to provide new thrills to the public and have always been under the spell of picking up the evils and peculiarities of other countries and magnifying them on the screen for the entertainment of their public. But there are also many others who are willing to bear a great expense and undergo the trouble of much travelling for the purpose of making pictures which will truly represent the life of people of different countries. If we shut our doors to the latter class, they naturally have to produce their pictures through their imagination, and they, therefore, must be excused for misrepresentations.

It must be added that the Nanking Government hitherto has never raised a cry against the circulation of the book in China. Even the edition of Chinese translation of that book has wide and free circulation in China. If the government deems that book prejudicial to the prestige and dignity of Chinese people, it should long ago have banned its circulation in China. How can the government save the prestige and dignity of the Chinese people, when millions of English reading people have already read through this famous novel? Therefore any belated government action at the present time will only betray our anti-liberal and narrow-mindedness.

Shanghai, February 19, 1934.

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Hirota's Cooing and Kaganovitch's Bellowing

"U.K." wrote to the North China Daily News (Shanghai) Feb. 9, as follows :—

Mr. Hirota is cooing like a dove and M. Kaganovitch bellowing like a bull." That is how the *Manchester Guardian* sums up the Japan-Soviet situation of the moment.

Japan's seemingly uncalled-for hesitation in her impetuous and unchecked course towards the Divine Destiny of the Imperial Principle, with her impatient pilot away from the helm of state, is felt intensely as a relief by the anxious and busy world. And Russia's ascending audacity in irritating the nation, whose ambitious path no one has as yet dared to cross, is regarded with no little misgivings.

China, too, has been trembling at the consequences of a possible repetition of the Russo-Japanese War, of another fight of "one enemy against the other." Whatever the outcome, whoever the victor, China would have to pay. Though, for the sake of her much professed Idealism, the Soviet's methods of extraction would necessarily be more subtle, and might be less immediately painful, should it become her turn to succeed in "saving" China.

After all, is the reversal of attitude between those two Powers really so very incomprehensible? I, for one, have all along been expecting it. In fact, I am rather disappointed at the hesitancy and tardiness about that change of attitude on the part of the Soviet, of whom I have always had a high opinion in the field of practical and realistic politics.

When the Manchurian affair was purely Sino-Japanese, Japan bellowed and the Soviet cooed—cooed as amorously as no nation did. Non-cooperation with the League Commission; transportations of Japanese troops on the C.E.R.; promote *defacto* recognition of the "Manchukuo"; all in spite of her moral and egal obligations. But all the cooings merely emboldened the Japanese in their bellowing.

Particularly provoking was that wooing for a non-aggression pact. I am still at a loss to understand why Commissar Litvinoff's fancy for that bi-lateral pact, when the breaking of the multi-lateral Anti-War Pact of Paris could call forth no more than a mild murmur; when the nine-fold signature to the Washington Treaty and the fifty-threefold to the League Covenant did not save these from the scrap heap? And why General Araki's hesitation over that one pledge, however immediate his intentions were towards the Soviet, when Japan could break a dozen without the least scruple and effort, and without impairing the validity of any of her subsequent pledges?

And, as the crowning effort, the Soviet spontaneously proposed the illegal sale of the railway. Japan was encouraged to the belief that she was facing another ill-prepared and non-resisting opponent.

But, with her immediate interests threatened in the most direct manner, the Soviet has been compelled, slowly but surely, to realise the folly and suicide of her past attitude; to realise the necessity of bullying the bully to avoid actual blows. By showing her preparedness, and even willingness, to fight she saves herself the necessity of fighting. Japan has never felt the readiness to brave the whole world—or to "hurl herself at any combination of nations," to quote Lord Lytton—her Militarists' boasting not withstanding, and in spite of all the pampering from outside. A nation may be encouraged to over-estimate its strength; but no nation is intrinsically suicidal. Individuals may hurl themselves at anything; but statesmen would not be so prompt to do so with their nation. Japan would avoid Russia if she could, as has become evident now. If there had been some rebuff to the boisterous bluffing of her militarists, these would not have held the rein so undisputedly for the last two years and half. As it is, the honor is to the practical and realistic Soviet.

Perhaps, I have exaggerated the Soviet's sagacity. Great Britain, the United States, or any other of the powerful nations, would have bellowed just as loudly, had their territories been as close to the centre of conflict. As matters stand, they have not felt the call to bellow over any question but such as that of dumping and immigration.

Marked Diminution in Remittances from Overseas Chinese

Owing to the world depression and other reasons the number of overseas Chinese living abroad has been greatly reduced. Statistics compiled by the Central Overseas Affairs Committee give the number of Chinese who returned to China last year as 278,000 and the number of emigrants to foreign countries as 132,000 only. Restriction of production in the various foreign countries, limitation of the immigration quota in Singapore and the imposition of poll tax and other levies in the Dutch East Indies and other places were contributing factors in the unfavorable situation.

With the decrease of the Chinese population abroad, remittances home also diminished by approximately 10 per cent last eary.

Japan's Demand for the Abolition of North China Kuomintangs---A Portent?

BY C. Y. HSIEH (謝志耘)

HEADLINED on the front page of the January 31 issue of the *Peiping Chronicle* was the following disturbing message:

"A tense situation in North China was revealed yesterday when it was learned that the Japanese authorities had demanded that the eleven principal Kuomintang offices in North China suspend all activities at once. Simultaneously, it was learned that the Central authorities in Nanking had decided to refuse to comply with the demand .... Fresh developments in this situation are being awaited with keen anxiety. Considerable speculation has been aroused in local Chinese and foreign circles as to the motives and probable results of the demand."

This revelation was naturally unpalatable to the Chinese and Japanese authorities in Peiping who issued the next day an emphatic denial of any such demand having been made. And on February 2 the Tientsin *Ta Kung Pao* came out with a rather brief account on the closing down of the Fu-sheng News Agency at Peiping and the arrest of two of its editors, Messrs. Lin Chi-yung and Chao Chih-ming, by orders of the Public Safety Bureau. The alleged offence was the release of the report on Japan's demand for the abolition of North China Kuomintangs.

This news read together is a sad commentary on the state of things in North China in this the ninth month, by the grace of Tangku Armistice and a further expose of the dangers of the so-called Huang Fu diplomacy. What they acquainted us with was that Japan is insatiable in her demands for the control of this part of China and that the "political authorities" in Peiping, either under intimidation by "a certain nation" or from a mischievous concept of proper neighborly relations with that nation, would spare no efforts to conceal from the Chinese public new attacks on the sovereign rights of China. That Japan will stop at nothing in the prosecution of her aggressive designs is the least surprising to us; what startles us and causes our deep concern is the deliberate attempt on the part of North China authorities to divorce themsleves from the public opinion of Chinese people. If our supposition is correct, then the present may be but one of the many cases which, we have reason to believe, were not allowed to come to light owing to this deplorable official attitude.

What Is Japan Driving At?

It is pertinent here to ask just what Japan is driving at by making this demand. Is their cause in evidence for her to feel uneasy about the subversive activities which the North China Kuomintangs may carry on to the detriment of the "Manchukuo"? Even an honest Japanese will answer "No" without a moment of hesitation. In fact, the Kuomintang in China to-day and in North China in particular is in the least militant mood possible regarding its policy toward foreign affairs. Acting on the orders from the Central Committees at Nanking, the branch organs throughout the country have long ceased to conduct propaganda for the recovery of the lost provinces or for the boycott of Japanese goods, and have contented themselves with an entirely offending program advocating national reconstruction and Communists' suppression. Before the Tangku Truce anti-Japanese and other denunciatory handbills might be seen almost everywhere in North China cities. To-day they are conspicuous in their absence. These facts certainly cannot escape the Japanese who, of all peoples, are the most inquisitive of events in this country. Why, then, the apparently useless demand?

One explanation presents itself in the fact that the Japanese demand was made just sometime before the 4th Plenary Session of the C.E.C. met at Nanking. The motive in thus timing the act to the occasion was obvious. It could not, of course, be to confront the meeting with an absurd proposition which would in any case be turned down. The move was manifestly a simple device to divert the attention of Kuomintang members from the situation north of the Great Wall by causing in them some anxiety over the peace south of it. The agreement of this explanation with the marked silence in the 4th Plenary Session of the C.E.C. over the Manchurian question should furnish adequate food for serious contemplation.

There is no arguing that on no ground should this impostor of alien origin upon our national convention be tolerated without endangering the future of this country. It amounts, in this particular instance, to the dictation that the Kuomintang or the Chinese officialdom forget Manchuria and Jehol, do nothing toward their recovery, and leave them to the sweet will of Dai Nippon. But it is even more intolerable as a matter of principle. For who can tell for sure that our present compliance would not invite further and worse interventions in our domestic affairs and encourage what the *Daily Herald* feared to be Japan's ambition for complete domination of whole China?

So much for the correlation between Japan's demand and the temper of the 4th Plenary Session of the C.E.C.

The Monarchical Movement

Another possible reason for Japan's move lies in the monarchical movement now going on at Changchun. In the wake of Tokyo's repeated admissions of satisfactory conditions having obtained in North China, Japan recently took some steps which were not calculated to ease the minds of people in the North. The two so-called "Eastern Chahar episodes," the construction of airdromes and military wireless stations in Eastern Inner Mongolia, the fortification of the Great Wall passes—not to mention the continued refractory attitude toward China's moderate and legitimate demands concerning the rehabilitation of the "demilitarized zone" and the retrocession of Shanghaikwan—were "closed incidents" only in the sense in which the Japanese chose to regard them. They constituted grave inroads to China's sovereignty as surely as the seizure of the four Northeastern Provinces. And unless one shuts his eyes to the latest developments—to Japan's wire-pulling behind the mutiny of the Peace Preservation Corps at Yutien and the strike of workers of the Kailan Mining Administration, to the feverish movements of Japanese troops inside and outside of the Great Wall, to "Manchukuo's" appointment of bandit-general Shih Yu-san as commandant of an Allied Army to operate in North China and undermine the Chinese authority therein, and to the state of emergency declared at Peiping and Tientsin as a precaution against reactionary and monarchist elements—he cannot but conclude that however happy the situation in the North may be viewed from Tokyo, it does not permit of optimism in other than Japanese circles.

In a word, all these signs portend something which keen political observers have not hesitated to associate with the coming substitution of a monarchical regime for "Manchukuo." Advance denials notwithstanding, the advent of a "Man-Men-Ti-Kuo" or Manchuria-Mongolian Empire may necessitate Japan's drive further westward with a view to incorporating the whole of Inner Mongolia and possibly Peiping as the future imperial citadel. The necessity in that case is not so much the complete domination of North China, which was practically assured to her by the Tangku Truce, as the possession of strategical advantage in her inevitable struggle against the Soviets for supremacy in the Far East. For the control of Inner Mongolia will, by its corrosive influence on Outer Mongolia, expose the Soviet Union to new points of vulnerability which efforts of the Moscow Government have not yet succeeded in fortifying during these two years of frantic preparations for eventualities on its eastern frontier.

Should this be the pre-arranged plot of the Japanese Army, then Japan's recent demand for the abolition of North China Kuomintang offices is a gesture of ill omen. It suggests the wolf's pretext for preying upon the lamb. It foreshadows a desire, nay determination, to seize more of this country's territory to serve as a vantage point for aggression on a third neighboring state. A pretext with such purposes behind it bodes no good to the party against which it is directed.

Peiping, February 6, 1934.

French Concession Chinese Ratepayers Send Protest to Consul General

Twenty members of the French Concession Chinese Ratepayers' Association met Feb. 8 to discuss the contents of a letter recently received from M. Meyrier, French Consul-General. Zung Tsoh-sung, a committee member, presided and asserted that the letter declared that the new Chinese members of the French Municipal would not be approved by the authorities because proper notice of the election had not been given the authorities.

The meeting passed resolutions that a letter be sent to M. Meyer, that three members open negotiations with the French authorities, that all newly-elected Chinese members of the Council refrain from attending meetings pending an agreement with the authorities, and that a "French Concession land regulations revision research committee" of five Association members be formed.

General Sun Tien-ying's Conduct

(Translation from the Peiping Morning Post, Jan. 31)

Assuming that the purpose of General Sun Tien-ying's westward advance is to seek food, he can not be free from the charge of insubordination inasmuch as he took this step without the approval of the National Government. But the facts of the case indicate clearly that he has other ulterior motives in view. In other words, he wants to secure control of the great plain in the North-east and use his military forces as an instrument of personal aggrandizement.

The National Government has dismissed him from the post of Director of Land Reclamation for Chinghai while the Peiping Branch Military Council has twice ordered him to withdraw his troops to the North of Tengkow and await a proper settlement by the National Government. Instead of complying with the orders of the Government or the local Council General Sun has spread tendencious reports trying to show that it is the Government who has forced him to the present course. Nothing could be more misleading or fallacious.

The first question we want to put to General Sun is whether he kept his troops within the limit of seven regiments set by the Peiping Branch Military Council. In this connection it is interesting to note that the Council has issued a statement showing that General Sun has now more than 40 regiments. Neither General Sun's telegrams of the last few days nor the statements given out by his resident representatives in Peiping have made any attempt to refute his, which serves to show that the charge is not unfounded. That the funds intended for the upkeep of seven regiments cannot support 40 regiments goes without saying, but who is responsible for this state of affairs? The matter of course would be different if the Council had agreed to General Sun's increase of 30 regiments. So far the Council has shown itself extremely lenient to General Sun, for it could have brought him to task last long ago.

Secondly we would like to ask whether the Council has shown any discrimination against General Sun's men in the matter of pay as compared with other troops. General Sun has been receiving $220,000 a month from the Council for the maintenance of his troops. This in an extremely generous allowance during the present period of national crisis. If he had kept his troops within the limit of seven regiments he would have had no difficulty in keeping his men contented. Every one knows that it is impossible for him to support 40 regiments on $220,000 a month but he should himself take the blame for this plight instead of shifting the responsibility on to the shoulders of the Council, for the latter has never authorized him to increase his forces.

Peiping Kuomintang Alleges Theft of Museum Relics

An announcement was made by the Kuomintang Headquarters in Peiping Feb. 12 that a big portion of Peiping Palace Museum relics have been found missing. According to an investigation recently conducted by the Kuomintang officials, many cases of jewels and jade have been taken away, while a great number of these cases still remain with the precious stones removed. It was also discovered that the jewels and jades fixed in hats belonging to emperors and empresses of the various dynasties are missing. In addition, a great many drawings, pictures, and writings of historical value have been found lost.

When questioned, the Peiping officials responsible for the protection of these relics declared that these valuables had been shipped to Shanghai. In reply to an inquiry made by the Kuomintang, however, officials in Shanghai contended that the "stolen" relics have not been transferred to Shanghai. Further investigations are being conducted.

Mui Tsai System in Hongkong Is Decreasing

The muitsai system was the subject of discussion in the House of Commons Feb. 7. Malcolm MacDonald, undersecretary of state for the dominions and son of the prime minister, said that the system was decreasing considerably at Hongkong. He said it was no longer a system of slavery because the girls were registered as perfectly free and are domestic servants. If they desired to leave a position, facilities were given them to do so.

French Labor Stages a 24-Hour Strike

Gaston Doumergue Feb. 8 formed a new Coalition Cabinet, in which the Socialists did not take part. Instead the Confederation of Labor staged a 24-hour strike Feb. 12, stopping all newspapers and closing most of the shops and transportation systems. The strike was a protest against the use of troops to quell disturbances and intended as a warning that French Labor objected to a "Fascist" regime.

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"Where Do You Go? Have You Your Ticket?"

BY PEARL S. BUCK

YUAN had of course been seeking work for many months, or he would not have accepted so small a position at the railway station. On the day he was handed his college diploma on imitation sheepskin he had seen himself an official in the national government in the new capital, or at least a secretary to such an official, since his English was excellent. He had written many weekly themes in English on subjects of the highest nature, arguing such a point, for instance, as whether or not the ancient walls of the capital should be torn down in the interest of the modern age or whether they should be allowed to stand as historic monuments. He always proved triumphantly that they should be torn down, since he believed passionately in what he and his fellows called "the new day."

But after his graduation he found he could not, in spite of his ability to write English themes, secure a position in the government, not even a position of fourth secretary. There were, it seemed, many hundreds of young men like himself, equally gifted in writing English themes, and differing only in the sort of titles they chose, some preferring to write on such subjects as "Moonlight on West Lake," or "Dying Love" or even on "Our Hero Sun Yat-sen." Yet Yuan could not be convinced that the reason for his failure was that there were these other young men. When he had considered everything many times, he decided that the real trouble was his old father, who was mediocre and without influence. His father was nothing more than a shopkeeper on a small street. It is true that he sold foreign wares, such as second-hand bicycles, but still he was only a shopkeeper. He could do nothing even for his only son, although he loved Yuan and spent much time he could ill spare going to offices and places of government to ask for appointments with various officials whose names he had seen in the papers. He even had special cards printed on square bits of cardboard announcing himself as a dealer in western machinery of all kinds. But this was no use, especially after one day through ignorance he asked to see an official who had already been removed in some disgrace. When Yuan heard this he groaned in shame for his father's ignorance and rushed to his room and cried in despair, "No wonder I can find no position worthy of me, when my father is such a fool." And he passionately hated all common and stupid people like his father.

A Minor Railway Job

Nevertheless even he could understand that his father had done all he could, and so when one day the old man came home rubbing his hands and laughing aloud and crying out, "Ah, Yuan, at last I have a government position for you," Yuan smiled, although he did not expect much. But even so it was less than he had expected. His father had had a customer a few days before who wore a uniform, and, seeing this, the old man had an idea. He inquired of the man, "And which is your honored government department?"

"Railways," the man replied carelessly.

So the old man, when this official had chosen a bicycle, and it was the newest in the shop, told of his wonderful son, who longed to serve his country in the government, and at last he offered the bicycle as a gift, if the official would give Yuan a job in railways. And the official, who liked the bright red color of the bicycle, agreed. Telling of this, the father ended by saying joyfully, "And, Yuan, the uniform is incomparable. It is blue, a bright blue, with a star here, and here, and a foreign cap. You shall have one exactly like it."

But in his ignorance this old man did not know that naturally Yuan could not be allowed to wear such a uniform in so lowly a position. It is true he had a sort of foreign cap, but his uniform was of plain black cotton cloth, and his sole duty was to hold back the stupid country folk who crowded into third and fourth class cars of the trains. This was his life then. Instead of sitting in the quiet, orderly classroom, filled with students, studying literature and English, now all day long, except for the brief intervals between trains, Yuan held the gate against these people. They understood nothing. They came at dawn to buy tickets for a train that did not leave before noon, and they would not go away. There they sat, huddled upon the ground, their cloth-wrapped bundles tied upon their backs, their worn hands idle, waiting for the gate to open. Whenever the gate opened they leaped up and rushed to it, crowding and pushing, their faces instantly strained, anxious, bewildered, yet determined. Now it was Yuan's duty to shout at them, asking, "What is your train? Where do you go? Have you a ticket?" And then he must shout over and over after hearing their replies given in all imaginable country dialects, "This is not the train you want—you may not pass," or to a few he said, "Show your ticket."

These things he said every day, day after day, to people who seemed not to vary at all from one another. Every day there were these same brown, anxious weatherworn faces, the same dull bewildered eyes, the same patched blue cotton clothes, the same awkward bundles tied with bits of rope, the same stupid rushing to any open gate. He grew to hate these people with a passionate, mighty hatred. He hated them the more because he could think of no way in which he could improve or enlighten them and so remove from himself the weight of their daily stupidity. He spent two evenings writing out large placards of the simplest instructions, but these people could read not one word, he discovered, and they regarded the placards as having nothing to do with themselves. When Yuan pointed furiously at them the first morning, the man in front of the crowd, a young farmer with a wide mouth, grinned and said in apology, "Sir, I have not one character in my belly; for I never went to school, being so bitter poor all my days."

There remained nothing, therefore, but to remove the placards and go on as he had before, shouting and screaming and threatening the crowd of peasants until the mass was thrust back and the few separated from it who were to go on the train next to depart. All day Yuan struggled there, every day from dawn until dark.

Troubled Dreams

At last it came to be that even at night he felt himself struggling against these stupid people. In his sleep he dreamed of them, dreamed of their dark, frightened faces, of their bewildered eyes. They never learned. Day after day they were the same. It could not be possible that they were daily and forever new people. Men and women who left their homes must return again. It must be that at least some of them time and time again rushed to the gate and tried to push through, struggling against him. And he was only one against so many. There was only he to stem this dull tide, to clarify this endless confusion.

It began at last to be too much for him. He saw himself as he was, young and ineffectual, his learning and education worthless, since all he could find to do was this one same thing which taught no one anything. Against this mountain of the stupidity and ignorance of these his own people he might fling his body daily and daily bruise his spirit, and they were not even aware of him.

The result of this was that he began at times to grow furious and at times morose, and always filled with threatening tensity. Daily he flung himself more madly and more bitterly against the crowds, pitting himself against them, his one brain against the mass of their ignorance. He became a shrieking, shouting machine, cursing the people while he struggled to hold the gates.

And then one morning for a few moments quite suddenly he went insane. There was not even a crowd just at that time. It was between trains and he leaned against the gate, his teeth set, girding himself for what must come within the half hour. Just at that moment an old farmer came hurrying to the gate, his bare feet dusty and gray with long walking on country roads, his bundle on his back, his blue coat patched, his staff in his hand, his face brown and strained with anxiety lest he miss his train. Without a word this solitary old man ran a little and tried to push open the gate.

Helpless Ignorance

But Yuan, looking at him, did not see him solitary. In that one face he saw millions of others everywhere in the country, everywhere these bewildered eyes, this patched coat, these dusty bare feet, this ignorance—this hopeless ignorance! And, seeing, he went mad. Grinding his teeth, he fell upon the old man without mercy, beating his head, his face, his shoulders, and weeping aloud as he did this. One or two men who stood near tried to pull him away, but nothing, no one could pull him away. Upon the person of this old man Yuan wreaked an unutterable vengeance for all his disappointment and for all his dreary days.

But his English did him some good after all. For he heard an English voice cry out, "O, look at that boy beat the poor old man!"

What the others had not been able to do this English voice now did. Yuan came suddenly to himself. After all, one could not behave thus before a foreigner. He glanced up quickly, his breath coming in great pants. There stood a foreign woman, her faced moved with compassion, and compassion not for him, but for the stupid old man. Seeing the look Yuan turned his eyes also upon the old man. It was evident he had understood nothing. He had only cringed and tried to shield himself as best he could, accustomed to blows he did not understand. Now, seeing they were stopped, he stared humbly at Yuan, and then approached the gate once more, timidly but again with dull determination, not knowing that the beating had anything to do with it. Yuan choked and wiped his lips with his hand and sighed heavily. Again he said as he had said so many many, times: "Where do you go? Have you your ticket? It is too early—"

*Reprinted from *Asia* Magazine, in which it appeared under the heading, "Shanghai Scene."

Chinese Delegate to Dairen Congress Lauds Japan

The common Chinese people, who have suffered unknown depredation and insecurity, are a voice crying in the wilderness, beseeching enlightened leaders to pave the way for a happy and unified Asia, it was declared by one of the speakers at a farewell banquet in Tokyo Feb 5, held for delegates to the preparatory conference (now in session) in Dairen for a Congress of Asiatic Peoples.

The speaker was Huan Mu, known in Japanese as Goro Araki, who served Marshal Chang Tso-lin up to the time of his assassination and who until recently was a personal adviser to Marshal Chang Hsueh-liang. The Chinese speaker told the gathering that the ideal of unifying Asia for the peace, security and progress of Asia "was burning in the hearts of his countrymen for many years before the outbreak of the Manchurian incident."

"I was not disposed favorably toward the Chinese Government," he said, "but as a member of Marshal Chang's staff, I have traveled extensively in China. I have heard the cries of the farmers for peace and for security—a deeply religious cry, which impressed me deeply. To me it seemed to be the sign of a coming upheaval, and as an individual I joined the chorus." The speaker went on to say that the establishment of the state of Manchukuo appears to have been the consummation of that upheaval, which is now clearing a path toward the ideal of a finer Asia. He expressed the hope that Japan would inject her high spiritual force into the movement, in order to establish for her Chinese friends—the crying millions of China and not the Chinese Government—an Asia that really stands for the pursuit of happiness.

Asia for Asiatics Is Motive of Dairen Conference

More than 100 persons assembled at the Yamato Hotel in Dairen, Feb. 12 to hear representatives of all Asiatic nations speak on "Asia for Asiatics." The speeches were made in connection with the Pan-Asiatic Conference at which 50 delegates from the Oriental countries including Japan, China, India, Manchukuo, Philippine Islands, Afghanistan and Siam are in attendance.

Pao Kuan-cheng, former Manchukuo diplomatic representative to Japan, was elected President. Resolutions were passed urging the organization of an Asiatic bloc, elimination of the opium traffic, development of Asiatic civilization and another resolution expressing sympathy with Afghanistan for the loss of its later ruler.

The League decided to sponsor an extensive All-Asia Conference in Dairen in 1935. The League proposes particularly an All-Asia spiritual and economic bloc. One of the speakers stressed Lancashire's doom should India, China and Japan combine. All the delegates expressed the belief that the day of deliverance from the Occident is at hand.

Real Estate Review by Realty Investment Co.

The northern section of the Settlement has the largest building operations for the week. Plans have been approved for thirty-one Chinese houses on the corner of North Chekiang and Elgin Roads. This of course is to the south of the railroad station and it is hoped that confidence will go forward to the section north of the Station. The volume of new building is down for the week and would be explained by China New Year.

New Building :—

In the Eastern district twenty Chinese hongs and seven Chinese shops on Tongshan and East Yalu Roads.

In the Western district, nine Chinese hongs off Robison Road near Ferry Road.

Four Chinese hongs off Connaught Road, near Hart Road.

Four garages off Seymour Road near Bubbling Well Road.

Six Chinese houses, three stories on Route Dubail near Rue Lafayette.

Ten foreign houses on Route Frelupt near Delastre.

Saitb Ambassador to U.S. Avers Japan Not Anxious to Fight

The "pacific policy" of the Japanese government was emphasized by the new Japanese ambassador to the United States, Miroshi Saito, on his arrival in New York Feb. 9. "We are not going to fight Russia," said Mr. Saito in reply to a battery of questions from newspapers.

"Russia does not want to fight us," he asserted, "and we do not want to fight them."

"War with Russia," he added after a pause, "would mean war with all other nations, including the United States, and we do not want to commit suicide."

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What the Panchen Lama Told a French Newspaperman

The following is a translation of the substance of an interview which A. Le Palud, of the "Le Journal de Shanghai" had last week with the Panchen Lama, now in Nanking. The interview was arranged through Tsu Ming-yee, secretary general of the Executive Yuan. The interviewer remarks that in front of the villa occupied by the Panchen Lama was a huge limousine decked out in yellow, the distinctive color of everything that relates to the Buddhist Pontiff.

WE were introduced into a drawing room decorated entirely in yellow. After waiting some minutes we were conducted to the first floor, following one of the Lama's entourage, and entered a room which, as its dominant yellow color indicated, was the domicile of the chief Tibetan spiritual leader. A partition also in yellow was opened and there appeared a personage with broad shoulders, dressed in a long silk robe decorated with buttercups (*bouton d'or*), with dragons chasing each other and arabesque designs—the Panchen Lama. He advanced smiling, saying several words in Tibetan, the only language he knows. He was followed by an interpreter who carried a number of blue silk scarves. The Lama welcomed us and handed us each one of the scarves, thus following an ancient custom. The Lama seated himself and motioned us to seats in arm chairs with amber colored upholstery. We are served with coffee and cigarettes. After the usual compliments the interview is begun through the intermediary of Tsu Ming-yee, who arranged it, the questions being transmitted through the French, Chinese and Tibetan languages, the answers coming in the inverse direction.

The Panchen Lama's face reflects good health. He never for a moment relaxes his engaging smile. His robust head with large forehead crowned with bushy hair is strongly bronzed. His face is furrowed, a moustache in the Chinese fashion falls lightly from his upper lip, his eyes are laughing, with an air of mischievousness radiating through the light fan-like wrinkles that lead to the temples.

In answer to questions, the Panchen Lama said:

"I left Tibet in the twelfth year of the Chinese Revolution (1923). It was necessary that an envoy from Tibet came to China. There were certain relations previously between Tibet and China, but as there was a certain slackness I decided to proceed to Nanking and Peiping in order to renew acquantance with the Mongol princes."

The interview then proceeded by question and answer:

"Hasn't there been some talk about differences between you and the Dalai Lama?"

"No difference between the Dalai and myself could arise; we have equal rights and our duties are almost the same."

"What has been your occupation since your departure from Tibet? Have you continued to participate in the political life of your country?"

"During my travels in China I have said prayers and organized religious services in the Buddhist temples. My secretaries in Tibet have continued to attend to political matters and keep track of local affairs. They have not failed to keep me acquainted, in my absence, of the events that have occurred. Since the time of my departure two contrary currents of public opinion have been opposed to each other; there were the reformers, champions of new ideas, and, opposed to them, the conservatives, who preached respect for ancestral traditions. The struggle between the two factions commenced in 1912 at the time of the revolution in China. The disagreement continued for several years, but finally the conservatives triumphed. The trend towards modernity was stayed."

"How is the Tibetan army organized?"

"The organization of the Tibetan army formerly was based on the system of the Tsing Dynasty in China. Each district had to furnish a certain number of recruits. Today the service is obligatory also, but the system is complicated. The lamas, for example, are not obliged to bear arms."

Is the Tibetan army under the orders of one, or several, chiefs?

"In the time of the Tsings each region had its chief. Later there was a commander in chief for the whole of Tibet, but the old regional system has again been reverted to."

"Where do the arms for the Tibetan Army come from?"

The interviewer here remarks that this question seemed to astonish the Panchen Lama. A long conversation took place between him and his interpreter. The interviewer noticed the words (in English) "England" and "Germany", possibly because there are no Tibetan words for them.

Shortly another interpreter arrived, and from then on the French interviewer spoke English and the interpreter translated directly to and from Tibetan. The interpreter replied, "His Holiness says that formerly the Tibetans manufactured their arms locally. For that purpose an arsenal was erected near Lhasa. But for several years past they have imported their arms from England."

"And artillery?"

"The arsenal near Lhasa still manufactures a few guns, little used.

(The French interviewer remarks that he pressed a number of questions on this line but did not get a direct answer.)

"Has Tibet any airplanes?

"His Holiness says that such engines are altogether useless, Tibet being situated way in the interior of the continent.)

"Pardon me, I didn't speak about a navy, but about aviation."

—*Courtesy Le Journal de Shanghai*

THE PANCHEN LAMA (SEATED); BEHIND HIM, TSU MING-YEE

"Altogther unusable, altogether unusable."

"What are the effective forces of the army?"

"The various armies together must represent a total of a million men."

"But, what then is the population of Tibet?"

"It is difficult to say exactly. Tibet is vast and the population is scattered. It was four millions previously, but it has been diminisheded by half, due to emigration to India, Mongolia and China proper."

(The interviewer here make the side remark, "That makes, then, a million soldiers out of a population of two millions. Fifty per cent of the population under arms! Has the interpreter made an error? In any event we hope these figures will never come to Hitler's attention, who will not fail in such event to demand an equality of effectives also with Tibet.)

"What is the influence of the monasteries on the political life of Tibet? What are their relations with the people, the army and the leaders of the country?"

"In Tibet everything is subordinated to religion. Religious and political questions form a single subject and are never in contradiction. The leaders of the country are at the same time the great pontiffs of Buddhism, the living Buddhas. The monasteries are very numerous and all belong to the same cult. There are some slight differences, but they are shades of no importance. All Tibetans obey the principles of the religion of the lamas. The people take no interest in political events. Their line of conduct is very simple: They conform to the advice which is given them by the monasteries and as they faithfully follow their counsel it follows that they neither discuss nor criticize the Lama's methods. Nobody escapes from the religious law, either the rich merchant or the beggar, who both daily recite the same prayers and place all their confidence in the sagacity of the lamas. The sodiers and officers likewise incline equally before the altar of Buddha and never set themselves against the orders of the lamas."

"Would you be glad to return to Tibet?"

"Certainly, but that does not depend on me. I follow the

instructions that are given me by the National Government. If the Nanking Government feels that I ought to resume my post in Tibet I will be glad to return to Lhasa."

"And if you return to Tibet what will be the attitude of the partisans of the late Dalai Lama?"

"I have already explained to you that I and the Dalai enjoy the same powers. Consequently the attitude of his followers matters little."

"And what will the British say to your return?"

"I don't understand. The British have no right in Tibet. I am a faithful subject of China and as such I have only to concern myself with the opinion of the National Government and not that of strangers. The opinion of Nanking is worth much much more than that of the representative of the Indian Government."

"Do you think that the death of the Dalai Lama will bring about any political change in Tibet and that the Chinese Government will find in it the opportunity to reinstate its influence in that region?"

The interviewer here remarked that this question, when translated, caused the Panchen Lama to stop smiling. He seemed to become excited, his words became halting. The Panchen Lama seemed to be discussing with his interpreter some answer that would fit the circumstances so as to avoid embarrassment. As previously, he found the way by disguising the answer under its religious aspects.

"Only religion counts in Tibet. The death of the Dalai has changed nothing in Buddhism. The National Government can change nothing in the religion, and otherwise, how could it intervene? May be there have been some slight changes in ceremonies following the death of the Dalai, but I am not aware of the changes if they exist."

What are the political views of the regent that was recently named for Tibet?

"Teh Tsen, who has been appointed regent bv the National Government, has no other mission than to keep himself acquainted with current changes pending the discovery of the reincarnation of the Dalai Lama. On this occasion this task is not easy because the Dalai did not speak previous to his death. He gave no indication as to the place of his reincarnation. In past years the Dalais never failed, previous to their death, to indicate the place the soul would chose for returning to earth. It was then not difficult by proceeding to the village to choose among the infants that were born nine months after the Dalai's death, the one in which his departed soul had been reincarnated. If there was any doubt a number of children were first selected and when all possibility of a mistake had passed the chosen Dalai was elevated. However sometimes it was necessary to draw lots. So far there has been a difficulty about choosing the location for the reincarnation."

"There has been a rumor that the Dalai did not die a natural death. Do you think any foreign country had any interest in the disappearance?"

"I have heard the rumor but I do not take any stock in it. The Dalai, although not very old, was very much tired out; and his death is not surprising; one should not pass any off-hand judgments. Personally I can see no country that could have any interest in his disappearance."

I than asked the Panchen Lama if the tension in the relations between China and Tibet would improve because of the Dalai's death. He seemed surprised and stated that Tibet being a part of China its relations with the Central Government could not help but be good. I reminded him of the offensives by the Tibetans on Sikong and Yunnan.

"The fights of which you speak have been minor incidents. The situation on the frontier is now quite calm."

"What is the interest of England in Tibet? Is is a purely economic inretest or does Great Britian exercise political influence on the country."

"England, because India is next, keeps up relations with Tibet as a good neighbor. Evidently she seeks to extend her commerce with Tibet, but that is the only reason for her interesting herself in the country."

"And Russia?"

Russia is far away. She has relations with Mongolia as far as Sinkiang, but not with Lhasa. For many years, however, Russia has had a reptesentative in Tibet."

"A prophecy has been spoken of according to which the 13th Dalai, that is the one who recently died, was to be the last, Have you heard of it? It is said to have been discovered in ancient Tibetan writings."

"All my life I have studied the sacred books and I can affirm that I have never run across such a prediction nor any allusion concerning it. It is a matter of no interest."

"In order to terminate I wish to know your opinion on the following point: Do you think Tibet will modernize?

"Tibet will follow China's lead."

The interviewer remarked in conclusion that possibly the Lama was not such a champion of the old order, after all, seeing the fine limousine decked out in yellow, in which he was accustomed to ride. The Panchen Lama was quite willing to be photographed.

How's Your Appetite?

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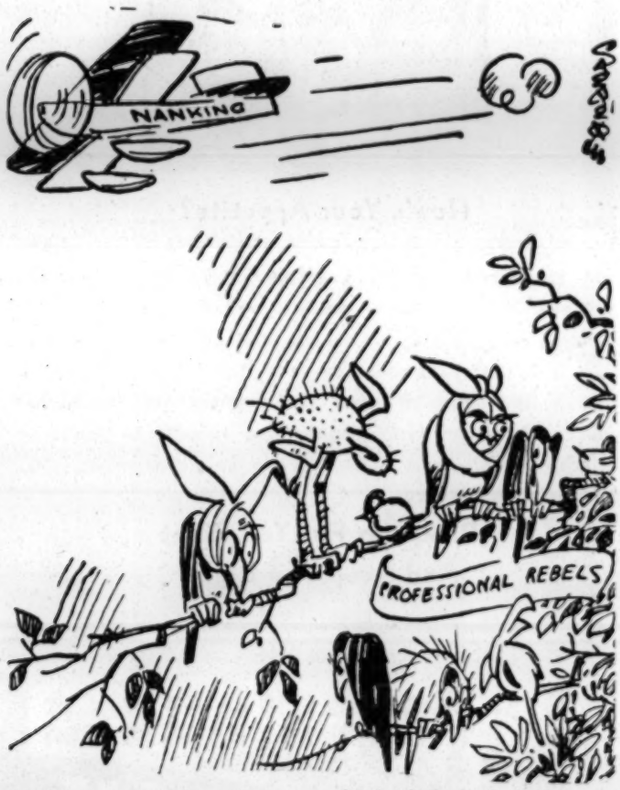
Heavy Fighting Continued in Ninghsia, Nanking Organizes Joint Drive on Sun

Despite the punitive measures taken by the Government against him, including his dismissal from the posts as Commander of the 41st Army and Reclamation Commission for Chinghai and discontinuance of financial supplies to his Army, Gen. Sun Tien-ying continues to show his recalcitrance towards Nanking and is battling his way into Ninghsia, apparently determined to establish his power in that province. According to reports from Peiping during the week, fierce fighting has been in progress between his Army and Gen. Ma Hung-kuei's force, with heavy casualties on both sides. In order to check his inroad into Northwest, a combined expeditionary force against Gen. Sun has been organised under orders of National Government, composed of units of Kansu, Chinghai and Ninghsia and offensive operations will soon be started. Gen. Chu Shao-liang, Chairman of Kansu and concurrently Pacification Commissioner of Northwest, is leaving shortly from Lanchow to Ninghsia to direct the operations.



—*Sapajou in the N. C. D. News*

QUOTH THE RAVEN NEVER MORE

A *China Press* dispatch from Peiping on Feb. 8 stated that heavy snow in Ninghsia City during the past two days failed to slacken the attack launched by the invading forces under General Sun. The Ninghsia provincial forces are holding that city despite the repeated attempts made by the attackers to climb over the walls. It is reported that a reply was received by the Peiping authorities on Feb. 7 from General Sun, declaring that he is unwilling to leave his army. With a view to accelerating the settlement of the dispute. the national government is rushing preparations for a campaign against the rebel armies of General Sun.

General Ho Ying-ching, acting chairman of the Peiping Branch Military Council, inspected the troops of General Kwan Lin-tseng, commander of the 25th Central Division and those of General Liu Tu-chuan, a North-eastern commander on Feb. 8. It is stated that these troops will be sent to the Northwest to suppress the troops of General Sun Tien-ying.

General Ma Hung-kuei', representative at Peiping stated that the national government has sent two pursuit planes, two bombers, two scouting planes, a thousand bombs and $100,000 to the chairman of Kansu for use in his coming drive against General Sun. According to the Chinese press, General Ho Ying-ching has telegraphed to the chairmen of the five provinces of Shansi, Suiyuan, Kansu, Chinghai and Ninghsia to send troops to round up the rebel forces.

As a last resort the Nanking Authorities have decided to use military force in curbing the insubordination of Genera Sun. The Peiping Branch Military Council will be instructed to despatch two government divisions to Paotow, western Suiyuan, via the Peiping-Suiyuan Railway to assist the Kansu, Ninghsia and Kokonor (Chinghai) forces in suppressing the recalcitrants.

A *Reuter* telegram from Peiping Feb. 8, reported that General Sun's forces made another attempt on said date on Hsin Chen or New City, six miles from Ninghsia City, but they were repulsed with heavy losses after fierce fighttng during which the invaders tried to scale the city wall. The captured prisoners state that General Sun has suffered 3,000 casualties since the outbreak of warfare while hundreds have died from exposure. The prisoners add that the invaders' food supplies are running short.

Both Pinglo and Ninghsia city are still in the hands of the troops of General Ma Hung-kuei, the Mohammedan leader, according to an official bulletin issued on Feb. 8. General Sun, in the meanwhile, is reported to have wired expressing readiness to hand over his command and to await the reorganizing of his troops.

Mongol Envoy in Nanking Tells of Japanese Intrigues in Mongolia

Prince Kuo Erh-Chia-Erh-Cho-Erh-Chia-Pu, personal representative of Prince Te-Mu-Chu-Ko-Tung-Lu-Pu, vice-president of the Silingol League, arrived at Nanking from Peiping on Feb. 6, Interviewed, the Mongolian Prince stated that his mission is to report on the situation in Mongolia and to appeal to the Central Authorities to introduce local autonomy in Inner Mongolia as soon as practicable.

Prince Kuo disclosed that when the Mongolian dignitaries recently gathered at Pailingmiao to discuss the autonomous issue, the Japanese erected a radio station in the territory of the Left Banner of Su-Ni-Ta of the Silingol League. The station was removed upon protest.

However, the Japanese have announced that they will build another station in the Spring, which seems to indicate that they are bent on carrying on their intrigues for the annexation of western Mongolia. To safeguard western Mongolia from Japanese invasion, he said that he has been sent by Prince Teh to the Capital to apprise the central government.

Referring to the latest developments in western Mongolia, he said that since the outbreak of the Shenyang (Mukden) incident on September 18, 1931, the Japanese have been gradually pushing westwards towards Mongolia. An office for the Mongolian Leagues and Banners has been established by the Japanese at Tolun (Dolon Nor), eastern Charhar. Fortunately, the Mongolians have turned a deaf ear to the bait of the Japanese. It is hoped that the Central Authorities will grant the Mongols local autonomy, in accordance with the formulas reached at the Pailingmiao conference, so that they may protect themselves from further encroachment.

Gen. Chang Proceeds to Hankow Soon to Assume his New Office

Following the official announcement of his appointment as Deputy Commander of the Bandit Suppression Forces of Honan, Anhui and Hupeh, Gen. Chang Hsueh-liang returned to Shanghai from his visit to Hangchow on Feb. 12 and after a short stay here will proceed to Hankow to organize his new Headquarters. Military and political authorities in Hupeh have wired Gen. Chang, congratulating him upon his new appointment and welcoming him to Hupeh to undertake the work of pacification of the Central China provinces. According to a telegram from Hankow on Feb. 10, in order to facilitate direction of military affairs, Gen. Chiang Kai-shek is considering to remove the Headquarters of the Bandit Suppression for the Three Porvinces from Hankow to Sinshiang in Honan. In the event of the removal being effected, Gen. Chang will first proceed to Sinshiang to take up his post.

Government Railways Cautioned Against Carrying Narcotics

The narcotic evil in China's North-west has caused the Ministry of Railways to issue a circular order to the administrations of all government railways, requiring strict and efficient preventive measures against the transport of drugs. The order names Shanghai as the principal source of supply, saying it has been found that most of the drugs seized in western Honan have come from there. It states that, as shipments are usually not inspected while in transit, rigid inspection should be enforced at points where they are shipped and at their final destinations. If drugs seized in future are shown to have been transported over government railways, strict punishment, concludes the order, will be meted out to those failing to discover them.

Who's Who in China

P. Tsu, Government official; born at Wusih, Kiangsu; B. A. in Commerce, China National Institute, Woosung, Shanghai; research fellow, School of Political Science and Economics, London University, England; editor, *The Eastern Miscellany* (published by the Commercial Press, Shanghai); director in co-operative work, Bureau of Agriculture, Labor and Commerce, Shanghai Special Municipality; was specially commissioned by the Mass Training Committee of the Central Party Headquarters to study co-operative enterprises in Europe; secretary, Overseas Affairs Department, Peiping Enlarged Kuomintang Conference; expert member, Cultural Committee, Canton Extraordinary Kuomintang Conference; member, National Emergency Conference, Loyang; now, counsellor of the Executive Yuan, expert member of the Rural Rehabilitation Committee and member of the Treaty Revision Commission of the Ministry of Foreign Affairs: Executive Yuan, National Government, Nanking.

朱樸字樸之
P. Tsu (Chu Pu)

朱樸字樸之，江蘇無錫人，吳淞中國公學第一屆商學士，英國倫敦大學政治經濟學院研究生，曾任商務印書館東方雜誌編輯，上海特別市政府農工商局合作指導員，中央民衆訓練委員會特派考察歐洲合作事業專員，北平擴大會議海外部秘書，廣州非常會議文化運動委員會專門委員，國難會議委員，現任行政院參議，農村復興委員會專門委員，外交部條約委員會委員。

China Needs Foreign Capital and Technical Ability

The following is an extract from a lecture delivered T. T. Ho, of the Secretariat of the S.M.C. in an address on "Sino-Foreign Relations" at the tiffin meeting of the Shanghai Rotary Club at the Metropol Hotel last week.

"I think China needs foreign capital and technical ability to develop her vast natural resources. Only with proper protection and reasonable return on investment will foreign capital flow into China, and only with proper safeguard and adequate emoluments can foreign technical exports be expected to work long in China. These are the essential conditions that China must provide in order to welcome and secure foreign capital and technical advice, which are indispensable to her economic development. On the other hand, international trade depends on international goodwill. Goodwill will be cultivated only by mutual consideration of each other's interests and understanding of each other's points of view. This can be promoted by mutual contact, which will eventually create friendship. Excuse me if I dwell briefly on personal reminiscences. In 1918 when I was attending the Wisconsin University, I invited a professor and his wife to a social party given by the Chinese students. After the party, the professor's wife told me this: the Chinese students are certainly different from the laundrymen! Some months ago, I had some foreign and Chinese friends dine with me. After the dinner, one Chinese guest whispered to me privately that these foreigners were nicer than he thought would be the case. . . . ."

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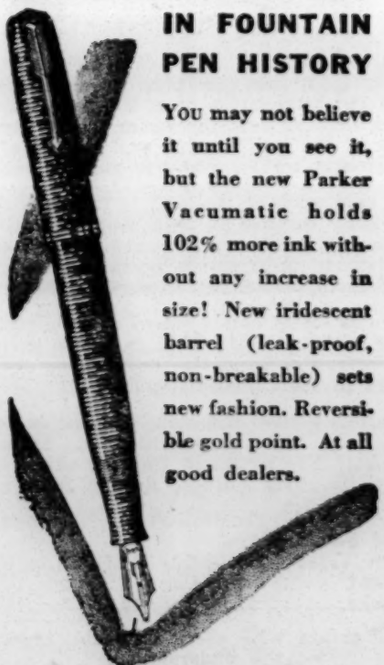

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No. 1340

The public is hereby notified that the Government have promulgated a set of regulations for restricting the importation of agricultural pests ( ) in accordance with which the importation of virus, bacteria, fungi, protozoa and all insects harmful to agriculture will, pending further notice, be permitted only at Shanghai and then only provided each importation is covered by a Shih-yeh Pu special permit endorsed by the Shanghai Bureau for Inspection and Testing of Commercial Commodities.

H. O. Tong,
Superintendent of Customs.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 13th February, 1934.

Who's Who in China
(with Supplement)

The standard edition of *Who's Who in China*, published in 1931, has now been brought up to date through the publication of a 200-page supplement. The two books contain the pictures and biographical sketches of the leading men and women of affairs, in government service, business and the professions.

It's the only work of the kind in the English language, is fully indexed in both English and Chinese and most of the sketches contain the latest addresses in addition to information pertaining to date and place of birth, education, careers, etc.

No business office, home, school or public library is complete without *Who's Who in China* giving complete information about the leading men and women of affairs in the Chinese Republic.

If you already have the standard edition published in 1931, order the Supplement only. If not order both books. The prices in Chinese silver or U. S. currency, including postage are as follows:

	(In China)	(Abroad)
Standard Fourth Edition (1931)	$10.00 Ch.	$11.50 Ch. or U.S.$4.00
Supplement	2.50 Ch.	3.25 Ch. „ U.S. 1.00
Both Books	11.50 Ch.	13.50 Ch. „ U.S. 4.50

Send orders with check or postal order to the undersigned.

The China Weekly Review
38, Avenue Edward VII
Shanghai.

Men and Events

NOTE TO THE READER.—If this week's copy of *The Review* comes somewhat late, please don't place the blame on the Post Office, but on our Chinese printers, who showing little respect for the Chinese Government's decree of several years ago abolishing Chinese New Year, insisted on observing this ancient holiday just when the time for printing this journal was due. In passing, let it be stated that Chinese New Year generally was observed by the Chinese populace this year as of yore. Government offices, including the Customs, kept open, however. For the first time since the official abolition, the Nanking government this year gave out an intimation that the populace would not be hindered from observing the Chinese New Year. In previous years intimations to the opposite effect had been given.

Henry K. Murphy, formerly advisor to the National Government and now associated with the Realty Investment Co,, has gone to Manila on a short vacation.

Harry B. Niles, Shanghai tanner and hide exporter, was married to Miss Marjorie Rogers in Shanghai, Feb. 6. Mr. Niles' home in the U. S. is Danvers, Mass.

Two of the Siamese King's cousins, Prince Sitipohn and another by the name of Monchao, were sentenced to life imprisonment in Bangkok Feb. 14 for their share in the recent uprising.

An official notice from the Directorate General of Posts Feb. 12 informed the public that postmen are forbidden to solicit gratuities. The public was asked to report infractions of the rule.

R. G. Shewan, aged 74, head of the old established firm of Shewan, Tomes & Co. and a director of the *South China Morning Post* plunged to his death from an upper story of his home in Hongkong Feb. 14.

Thus the *Japan Times* Feb. 7:—For any Japanese to call Lindbergh a spy is about as preposterous as to charge Japan with engineering the Lindbergh kidnapping so as to turn American attention away from Manchuria.

Henry A. Wallace, U. S. Secretary of Agriculture, in an article on American Agriculture in January *Foreign Affairs* says: "Last winter, the U. S. had the largest wheat surplus and the longest bread-lines in its history."

M. Bogomoloff, the Soviet Ambassador, gave a dinner party to 22 members of the foreign press in Shanghai Feb. 12. Representatives of American, British, French, German and Japanese newspapers and news agencies were present.

Three persons were killed and eight received serious injuries in a stampede in the Great World in Hangchow on Feb. 11, when Chang Tai-yang, former Governor of Chekiang, was distributing free rice tickets to the poor.

A. G. Mossop took his seat for the first time as Judge in the British Supreme Court in Shanghai Feb. 12, the occasion being marked with appropriate ceremony. Mr. Mossop was for many years Crown Advocate. He is a native of South Africa.

The dead bodies of the parents of Mrs. William Grooch (who plunged to her death with her two children from the top of a Shanghai apartment building several weeks ago) were found in their home in New York City Feb. 14, two days after they had committed suicide together.

Clarence J. Spiker, First Secretary of the U.S. Legation and Chinese Secretary, was married to Miss Helen Aldich at Peiping Feb 9. Nelson T. Johnson, United States Minister in China, gave away the bride. The couple are spending their honeymoon at Hangchow.

C. F. Chi, who has been appointed China representative of Henry K. Wampole & Company, Inc., manufacturing pharmacists in Philadelphia, arrived back in Shanghai, Feb. 2. Mr. Chi, who sailed for America in 1929 to pursue higher study, graduated from the Kalamazoo College, Kalamazoo, Mich., last year.

Dimitri Bogomoloy, Soviet Ambassador to China, is expected to leave for Nanking on February 20 to open negotiations with the Foreign Office authorities on the various impending Sino-Russian problems. During the parleys, the Chinese Government is expected to suggest the establishment of consulates in the U.S.S.R., particularly in Siberia.

The Hardoon estate in Shanghai has borrowed $18,000,000 on mortgage from a local realty company. It is stated that the greater part of the proceeds are to be used to pay death duties on the estate to the British government, but there are rumors that relatives from Bagdad (Irak) of the late S. A. Hardoon have secured a judgment for part of the estate.

A correspondent signing himself "G. A." wrote to the *North China Daily News* Feb. 12 in support of the idea of allowing an interval between the green and red lights in Shanghai traffic signals, saying that "with the motor traffic from right and left rushing at you with a will, you have to perform those humorous leaps and bounds for the other shore, that make the streets so interesting!"

Mrs. J. Loessing Buck, (Pearl Buck), author of "The Good Earth," departed from Shanghai Feb. 9 on an extended tour of Indo-China, Siam, Malay States, and India, possibly including the East Indies, and returning by way of the Philippines. She expects to visit all parts of India, where she will seek new material for articles and books. Included in Mrs. Buck's party is Richard J. Walsh, editor of *Asia*, who arrived in Shanghai last week.

Tsuyee Pei, manager of the Bank of China ,who was one of the leading spirits responsible for the signing of the London Economic Conference last July, in an interview in Shanghai Feb. 13 said :— "If it is the intention of the United States government to put into effect legislation intended materially to change the monetary status of silver, the sooner the change is carried out the better in order to terminate the present position of uncertainty, which is so harmful to legitimate business of China. On the other hand, if no such action is contemplated it is high time that President Roosevelt should put a stop to the agitation of interested parties and the circulation of false news by declaring his intentions in unmistakable terms."

C. S. Franklin and J. W. Carney, American Nominees of Municipal Council

The nomination of J. W. Carney and C. S. Franklin for election to the Shanghai Municipal Council was announced last week in letters sent to American ratepayers of Shanghai from the American Community Committee on the Municipal Election. The election will take place on March 19 and 20.

Mr. Franklin is the senior partner of Messrs. Franklin and Harrington, and is finishing out a term on the Council. Mr. Carney is the assistant general manager of the Socony-Vacuum Corporation, Shanghai branch, and if elected, will succeed F. J. Raven, present Council member, who will not offer himself for re-election because of absence in the future from Shanghai.

Appointed by the United States Consul-General, the nominating committee for the American ratepayers consists of the presidents of the American Chamber of Commerce, the Columbia Country Club, the American Bar Association for China, and the American Baseball Club, the commander of the local American Legion Post, the chairman of the Board of Managers of the Shanghai American School, the captain of the American Company, S. V. C., the commander of the United Spanish War Veterans, the president of the American Women's Club, and the five members of the Committee of the American Chamber of Commerce on Municipal Elections.

Fruit Spoiled During 22-Day Trip from Canton to Shanghai

The Chiung Hwa S.S. Co.'s steamer *Taiping*, operated in coastwise passenger and freight service between Shanghai and Canton, has established a new record for time elapsed in running between Shanghai and the Kwangtung capital. Passengers who arrived here on the steamer Feb. 9 stated that a total of 22 days were required to make the passage between Canton and Shanghai. Rough weather, strong head-winds and an acute shortage of coal combined to delay the steamer and make the record she has set up. A major portion of the cargo carried was fruit, consisting of apples, oranges, bananas, etc. Apples and oranges ordinarily withstand sea trips of the usual type, but one of 22 days was too much. Practically all of this perishable fruit cargo became spoiled before being unloaded here.

Chinese Court Imposes Heavy Sentences in B.A.T. Forgery Case

The following sentences and fines were imposed by Judge H. Y. Tsien of the First Special District Court Feb. 13 upon J. I. Ionin, Wong Tsang-ching, Zia Ping-foong, E. V. Salnik, and A. A. Kashin, arrested by police in connection with the forgery of a British-American Tobacco Co. check for $136,688.25 on the Chartered Bank of India, Australia & China :

Ionin, imprisoned for six years, fined $2,000; Kashin, a former Shanghai newspaperman who was arrested in Mukden and then brought to Shanghai, three years and half and fined $1,500; Salnik, two years; Wong Tsang-ching, former clerk of the Chartered Bank, and Zia Ping-foong, printer, each three years.

The trial of A. C. Mack, implicated in the affair, is still pending in the British Courts.

Thousand Persons Killed in Austria Incidental to Socialist Outbreak

More than a thousand persons were killed in Austria during the early part of the week as the result of a Socialist outbreak, which was quelled with extreme ruthlessness by the Dollfuss Government. In addition to those who were killed by rifle and machine-gun fire several officials who were suspected of aiding the Socialists were officially hanged, almost on the instant.

ONLY A FEW COPIES LEFT

The *Review* still has on hand a few copies of the following books dealing with Pacific and Far Eastern Affairs:

"Problems of the Pacific" by Bruno Lasker; standard book of reference for those interested in the complicated affairs of the Far East .....Price M.$15.00

"Symposium on Chinese Culture," by Sophia Chen Zen .....Price M.$ 7.50

Add 25-cts. for postage in China or $1.40 if to be mailed abroad.

THE CHINA WEEKLY REVIEW

38 Avenue Edward VII
Shanghai

A Woman's Handicap.

Whilst many girls now-a-days vie with their masculine friends in almost every branch of out-door sport, the fact remains that "woman is woman," and as such has to contend with greater physical handicaps than do men.

For example take the case of Miss Louisa Cecilia Dalman, an 18 year old English girl who resides with her parents at 18-A Renmuir Street, London, S. W. The story of her illness and subsequent cure can best be told in the words of her mother:

"About a year ago, said Mrs. Dalman, "my daughter began to have terrible pains. She was continually fainting, had severe headaches and attacks of giddiness, and from a fine athletic girl fell away until she became a physical wreck.

"Naturally we called in medical aid; yet although all sorts of medicines were tried she continued to get worse. Her father and I were greatly worried, and when we read an account of how Dr. Williams' Pink Pills had cured cases of a similar nature, we decided to give the Pills a trial.

"Soon after beginning Dr. Williams' Pink Pills my daughter felt great relief, and as she continued taking them the pains disappeared; she became free from headaches, out of despondency came cheerfulness, indeed, as if by magic, she was completely restored to health. Now, thanks to Dr. Williams' Pink Pills, she is once again a strong, fine looking girl, going cheerfully to her work in the City every morning."

The secret of the world-wide popularity and success of Dr. Williams' Pink Pills is due to their unique curative tonic action on the blood, and through it on the nerves, whereby they quickly correct anaemic conditions and functional irregularities, increase the appetite, restore roses to the cheeks, brightness to the eyes. They are equally health and strength giving to men as to women. Your chemist can supply them.

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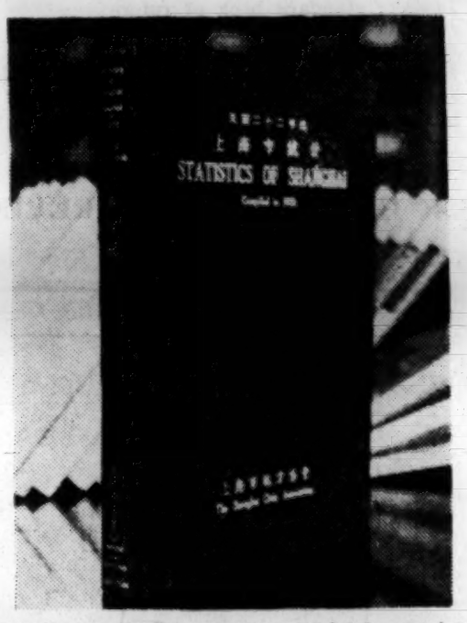

STATISTICS OF SHANGHAI

Compiled in 1933

published by

The Shanghai Civic Association

Including the International Settlement, French Concession and Chinese Municipality of Greater Shanghai.

Some of the chapter headings:

Land	Industry
Population	Labor
Administration	Agriculture
Judiciary	Communications
Finance	Public Utilities
Money Market	Cultural Activities
Commerce	Education
Social Affairs	Public Health

Number and Value of Buildings, Description of Buildings, New Construction, Contractors, etc.

More than 400 pages, printed in the English and Chinese Languages, bound in cloth and paper. The prices are as follows:

In Shanghai (paper) $2.85; (cloth) $3.85
In China (paper) $3.10; (cloth) $4.10
Outside of China, (paper) U.S. $1.75; (cloth) U.S. $2.50

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New Books of Interest in the Far East

Chinese Arts and Crafts

A Sketch of Chinese Arts and Crafts. Hilda Arthur Strong. Henry Vetch Publisher, The French Bookstore, Peiping. 98 text illustrations, 16 plates and one map. Mex.$5.00

We have here a very practical handbook on Chinese arts and crafts, including an historical outline that is unique in its clarity and brevity, the religious background of China's art, and the symbolism (well illustrated by plates) of the motives used in the art of this great country. The book is not pretentious nor exhaustive. It is an appetizer. As the author herself says,

> **"Our Chinese friends have a custom of serving before a feast such trifles as sweetmeats, nuts and fruits—as a preliminary course intended to satisfy a temporary want only. Of like nature is that little sketch . . . . . Those who care to linger on will find in the study of Chinese art a rich and rare feast spread before them in the many larger volumes from which much of the following information has been gathered."**

Each chapter is introduced by a quotation,—Chinese proverb or bit of verse. The first one is the old proverb that says: "If one wishes to be acquainted with the Past and the Present he must read Five Cartloads of books." The nice thing about this neat little volume is that the author has acquainted herself with the five cartloads of books, and we get the benefit in a condensation of some of the more significant and interesting facts about the painting and calligraphy, the pottery and porcelain, the bronze and cloisonne, the lacquer, wood-carving, jade, ivory, amber, silk and embroidery of this land of arts and crafts.

G. T. F.

An Encyclopedia of American Social Work

Social Work Year Book, 1933. Fred S. Hall, Editor. Published by the Russell Sage Foundation, New York. 680 pp. U.S.$4.00.

This is the second issue of this interesting and useful book, the first having appeared in 1929. The present volume is about one-eighth larger than the earlier one, and includes thirty new topical articles, while some articles which appeared in the former issue are omitted from this.

The book, which is "a description of organized activities in social work and in related fields," consists mostly of topical articles on various subjects, arranged in alphabetical order as in an encyclopedia, running from Adoption and Adult Education to Workmen's Compensation and Youth Service Associations. It is, in fact, much more of an encyclopedia than a year book. The question of its scope must have caused the editors considerable cogitation, as such an enormous range of activities can be included under "social work," but they decided that such activities are to be regarded as related to social work, for the purposes of this volume, "if those engaged in them are significantly associated with social workers, either locally or nationally. On this ground enterprises such as business men's service clubs are included in the present volume, while those having to do with peace, temperance, prohibition, and the conservation of natural resources are not included."

A considerable number of specialists, in various social activities, have contributed to this work. Though the alphabetical arrangement of the book enables one to find various subjects without difficulty, there is an adequate "general index" as well, also an introductory classification of the topical articles into thirteen groups which give an excellent idea of the field covered; (1) Families or adult individuals; (2) Children; (3) The Handicapped; (4) Miscellaneous Classes; (5) Mental Hygiene; (6) Health; (7) Industry; (8) Crime and Penal Conditions; (9) Leisure-Time Activities; (10) Social Planning and Related Activities; (11) Research and Professional Problems; (12) Social Work Under Specified Auspices; (13) Social Work in Relation to Other Groups.

It is interesting to note, among other things, the effects of the present economic crisis in America, continuing from year to year with ever more and more millions dependent upon charity for their living, until the stronghold of economic reaction in the United States, the American Federation of Labor, finally came out for unemployment insurance, and the State of Wisconsin actually enacted "the first American law making compulsory the payment of compensation to workers on account of involuntary unemployment." Even "during the socalled 'prosperity '20's,' the increasing displacement of labor by machinery was reflected in the increased numbers of unemployed persons applying for relief to existing social agencies. The literature of the period abounds in references to the 'rising tide of relief.'" The encyclopedia, of course, deals with social facts and social work, not directly with economics, but the chain of economic cause and effect is certainly made clear in its study of unemployment and unemployment relief. While people with money were still wallowing in "prosperity" and buying stocks in the craziest fever of speculation which the world has ever known,

economic life was already being sapped at its roots by the rapid increase of unemployment and consequent decrease of purchasing power. The men thrown out of work by the development of machinery and "efficiency systems" could not all find other employment, and by 1929 the fall in purchasing power had reached the stage when a crash was inevitable. The financial panic, of course, was simply the sign that the crash had come. And from year to year since then the depression has deepened and intensified, until there are millions starving, subsisting on charity, or wandering hopelessly over the country for some place where destitution was less intense, and there might be a chance for work or food.

It is interesting to note that "the migratory population included not only homeless men, but great numbers of young boys, some homeless women and girls, and entire wandering families. The southern and southwestern states suffered the heaviest invasion. The general policy, if policy it can be called, has been to keep these people constantly on the move, thus preventing their gaining a legal residence anywhere. Homeless men and boys were usually permitted to remain from one to three nights in shelters provided by the communities; women and families were generally dealt with by the established social agencies, and received more individualized treatment. The railroads joined in the 'passing on' process, being averse to the collection of gangs of homeless men in proximity to their yards." The encyclopedia does not mention that at the same time, Hoover and his officials were going around with set smiles, asserting that prosperity was returning, and Rotarians were passing resolutions declaring that it was all a question of the proper attitude, and banning the use of the words "depression" and "crisis."

The encyclopedic section of the book is followed by a second part consisting of directories of social agencies, including national agencies of a public nature, those of a private nature, and state agencies of a public nature. In general, the book is a very valuable one, and it is interesting to note that it is planned to produce new editions at intervals of "from two two three years, as conditions warrant and need arises." It is really, as the editor states in the preface, "more like a concise encyclopedia, periodically revised," and as such it is worth while. One might wish that it had more to say of the ultimate causes of destitution and crisis, but this of course would inevitably take it into the field of economics, and it could hardly avoid some suggestions in connection with improving fundamental conditions. But this would be going beyond its limits. It aims simply, as the Editor remarks, "to record what is, not what should be."

H. H.

More About the Gobi Desert

Riddles Of The Gobi Desert, by Sven Hedin; published by George Routledge & Sons, London.

This is a sequel to what the publishers correctly describe as Mr. Hedin's "brilliant" *Across The Gobi Desert,*—but as sequels often are, it is terribly disappointing. It appears that Mr. Hedin really said about all he had to say on the subject in his former volume, and its success unwisely inspired him to write another on the same subject even if he did not have anything more that was worth while to set down. In consequence, the present book is tedious and long-drawn out, and while there is some new material in it, there is not enough to repay reading the volume.

There is one item of considerable interest, to which Mr. Hedin devotes only a paragraph, concerning Colonel Schomberg, a British agent who has been extremely active in Sinkiang in recent years in the guise of an explorer, and who has probably had a close connection with recent political developments in that remote province, including the establishment of an independent government in Kashgar which is near the Indian border.

"He (Schomberg) intends to provide England with a new Afghanistan in Sinkiang," Mr. Hedin quotes Urumchi Chinese as saying a few years ago. Mr. Hedin adds that the Colonel "was a famous power in the secret service of India," and it is intimated that he was not friendly to the Hedin expedition although Mr. Hedin states that "of course it was pure accident that our difficulties, both in 1928 and 1929, coincided with the Colonel's visits to Urumchi."

W. B.

A Black Jew and the Dark Continent

Lobagola: An African Savage's Own Story; published by Alfred A. Knopf, New York City.

The publisher's announcement describes this book as "the autobiography of Bata Kindai Amgoza Ibn Lobagola, a black Jew descended from the Lost Tribes of Israel, a savage who came out of the African bush into modern civilization and thenceforth found himself an alien among his own people and a stranger in the twentieth century world."

All of which is very interesting, if true, but in this age of fictionized biographies, a sea thriller by a girl whose maritime experience was confined to a ferry boat between Oakland and San Francisco, and the alleged but incredible African bush adventures of a senile bum in Capetown, one is entitled to view similar tones skeptically. Knopf, however, appears to have sincerely accepted Lobagola's story as approximately correct, and so we may justified in taking it on faith in this wholly reputable publisher.

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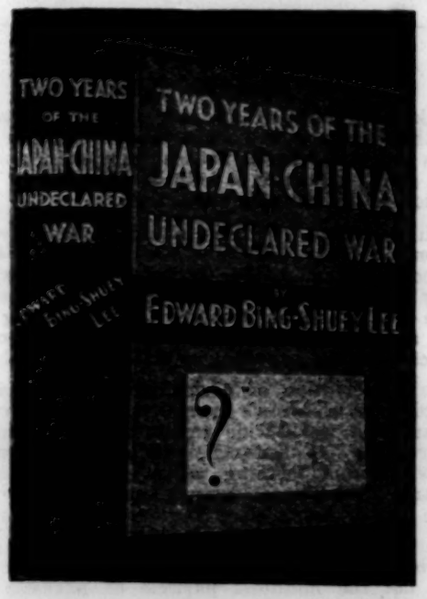

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CHINA WEEKLY REVIEW

38 Avenue Edward VII.

It is true that there are several groups of Semitic origin in various parts of the world who have largely gone native in both blood and customs, but still retain some traces of their original language and religion. There is one such group outside of Canton, and another in Shantung. There are many in Africa, and Lobagola claims he comes from such a tribe in the depths of the dark continent, south of Timbuktu, where white men have never penetrated. With a group of companions he once adventured to the seacoast and accidentally became a stowaway on a ship to Glasgow, where a Scotch family gave him haven and educated him. He later wandered back to his African home, but found that the civilized customs he had acquired, including wearing clothes, made him an unwelcome stranger among his own people. He then returned to civilization and is now in the United States.

His description of savage rites and cruelty, and his account of his difficulties in adapting himself to white men's ways, are very intriguing. He writes with apparent sincerity and is highly critical of both his own people and white people—which is wholly understandable.

W. B.

Shipping Association to Petition Nanking to Recover Navigation Rights

As the Sino-British and Sino-American commercial treaties are to terminate shortly, the Chinese Shipping Navigation Association is planning to urge the authorities to recover China's navigation rights during the negotiations for a revision of these atraties. Chen Peh-kong, Secretary-General of the Association, ews reported to have been instructed to draft such a petition to the Ministry of Communications.

Children's Faces

What They Tell.

Make a practice of studying the face of your child, for in this way you will learn much regarding the little one's as yet undeveloped natural character, and thus be able by gentle influence to help development of good and repression of undesirable tendencies.

You can also tell from a child's face the general condition of its health. For example, the thin, melancholy-looking, pallid, irritable infant almost invariably has something wrong with its digestion; its stomach and intestinal tract are not functioning properly, or it is afflicted with worms. The child's urgent need in such a case is best provided by Baby's Own Tablets.

The prescription of a doctor who for many years practised as a children's specialist, Baby's Own Tablets have earned a world-wide reputation as a specific for such troubles as infantile indigestion, constipation, colic, 'wind,' and teething pains. They reduce fever, croup and colds, expel worms, quiet the nerves and promote health-giving sleep in a perfectly natural way.

No parent need have a moment's hesitation about administering these Tablets, for they are guaranteed to contain not the minutest particle of narcotic or other harmful drug, and to be equally good and helpful for the newly born infant as for the child six or seven years old. Any chemist can supply them.

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The National City Bank of New York, Rates of Exchange

Shanghai, Feb. 16, 1934

Demand selling rate on America:	U.S.$100=Sh. $286.71
Demand buying rate on America:	U.S.$100=Sh. $283.69
Demand selling rate on London:	£1 0.0.=Sh. $14.491
Demand rate on buying London:	£1.0.0=Sh. $14.272

Latest New York Stock Exchange Quotations

Market—Steady — Business Done 4,330,000 Shares

February 16, 1934

1933-34 High	1933-34 Low	Div. $ per Sh.	STOCK	Mon. Feb. 5	Tue. Feb. 6
13¾	3	—	Adams Express	11⅜	11⅝
33	11⅛	0.60	Alaska Juneau	22⅝	22½
156	70¾	6.00	Allied Chemical & Dye	155½	154⅝
102⅞	19½	4.00	American Can	102	102½
19⅜	5⅞	—	American & Foreign Power	12½	12⅝
44⅞	7¼	—	American & Foreign Power 7% Pfd.	28¼	29⅞
158½	23⅝	5.00	Amer. & For. Power 5% debs. of 2030	53½	55
23⅝	3½	—	American Metal Company	22	22¼
53½	10¾	—	American Smelting	46	46⅜
134⅝	86½	9.00	American Tel. & Tel.	123½	124⅜
94⅝	50¾	5.00	American Tobacco "B"	83½	84
43¼	10⅞	1.00	American Waterworks	25	27¼
80	35	6.00	American Waterworks $6 preferred	77	77
22⅞	5	—	Anaconda Copper	17⅛	17½
18⅝	5⅞	—	Atlas Corporation	15½	15⅝
84¼	31	2.00	Auburn Automobiles	56½	55⅝
37⅝	8¼	—	Baltimore & Ohio	34⅝	34
49¼	10⅜	—	Bethlehem Steel	48⅝	48⅞
37⅝	18	1.60	Borden Company	27⅛	26⅝
28½	5½	0.25	Borg Warner	28½	28
20⅞	7¼	—	Canadian Pacific Railway	16⅞	17¼
103½	30½	—	Case, J. I.	84½	85⅝
47⅞	16⅝	1.40	Chase National Bank	30½	30
52½	14⅞	2.50	Chesapeake Corporation	45⅝	44⅞
58⅞	7⅜	0.50	Chrysler Corporation	58⅝	57⅝
46	25	5.50	Cities Service Power & Light 5½s/52	46	45¼
28⅛	9	0.50	Columbia Gas & Electric	17⅜	19¼
6⅛	1⅜	—	Commonwealth & Southern	2⅞	3⅛
64⅛	34⅛	3.00	Consolidated Gas of N. Y.	45½	47¼
20¼	4⅞	—	Continental Oil	20¼	20½
9	2⅝	—	Coty Inc.	9	8⅜
5⅛	1½	—	Curtiss Wright Company	4⅞	4⅜
102¾	32⅛	*2.00	Du Pont de Nemours	102½	101¼
91⅜	46	3.00	Eastman Kodak	91⅝	92
41⅝	10	—	Electric Bond & Share	20⅞	22½
66	25	6.00	Electric Bond & Share $6 preferred	56	58
15⅜	8⅛	—	Electric Power & Light	8⅛	9⅛
19	12	—	Fox Film "A"	16⅞	16⅞
10¾	2⅞	—	General Aviation	8¾	8
30⅛	10½	0.40	General Electric	25	24⅝
39⅞	21	1.50	General Foods	36⅜	35¼
41½	10	*1.00	General Motors	41½	41
49½	13¼	1.00	General Railway Signal	42½	42¼
27⅜	12	1.20	Gold Dust	22¼	21⅜
47½	9¼	—	Goodyear Tire & Rubber	40¼	40
80¼	27¾	2.00	Goodyear 7% Preferred	79⅜	79
40	6½	—	International Cement	36¾	36½
46	13⅜	0.60	International Harvester	46	46⅛
23⅛	6¾	—	International Nickel	23⅜	23½
21¾	5⅛	—	International Tel. & Tel.	17⅛	17⅜
69½	20¼	4.50	Int. Tel. & Tel. conv. 4½s of 1939	69½	68⅜
65¼	12¼	—	Johns Manville	64⅜	64½
26	7⅜	—	Kennecott	22⅜	22⅜
79⅜	37½	2.40	Lehman Corporation	77⅜	77⅜
99⅜	40½	*4.00	Liggett & Myers "B"	94	94½
36½	8½	1.00	Loew's Inc.	32⅞	33⅜
25¼	10⅜	1.20	Lorillard P. (Com.)	19½	19¼
33⅜	8⅝	—	Montgomery Ward	33⅜	33½
64½	16⅞	1.00	National City Bansk (bid price)	29⅜	29½
41⅝	5⅝	—	National Distiller	30⅝	30
60½	34	5.00	New England Grs & Electric 5s 1947	60½	60
58½	14	—	New York Central	44½	44⅜
36½	12¾	8% S	North American	22½	25¼
96¾	31½	2.00	Owens Illionois Glass	92	93
31⅞	15	1.00	Pacific Gas & Electric	20⅞	23
6⅜	1⅜	—	Packard Motors	5⅛	5
42½	13¾	0.50	Pennsylvania Railroad	39	38⅝
6⅜	1¼	—	Pennroad Corporation	4¼	4
18⅜	4⅜	—	Phillips Petroleum	18⅜	19½
12¼	3	—	Radio Corporation	9	9
54¼	26½	3.00	Reynolds Tobacco "B"	43	43¼
50⅞	12½	—	Sears Roebuck	50⅞	50⅝
19½	6	1.00	Socony-Vacuum Corporation	19½	18½
28	14¼	2.00	Southern California Edison	20⅛	21⅞
22½	5⅛	—	Standard Gas & Electric	16⅛	17
77	35	6.00	Standard Gas & Elec. 6% notes 1935	67	71
49⅛	22¾	1.00	Standard Oil Co. of N. J.	49⅛	48⅝
60¾	46	3.80	Sterling Products	55	53
8⅝	1½	—	Studebaker	7	6⅞
30½	10¾	1.00	Texas Corporation	29	28½
9⅛	2⅝	0.12	Transamerica	8¼	8¼
51⅞	19¾	1.00	Union Carbide & Carbon	49⅝	48½
132	61¼	6.00	UnionPacific	123	130
16 7/8	16½	—	United Aircraft & Trans.	35⅝	35¼
14½	4½	—	United Corporation	7⅞	8⅜
25	14	1.20	United Gas Improvement	19¼	20⅛
25	2⅞	—	U. S. Rubber	19⅜	21
67½	23⅜	—	U. S. Steel	59⅛	59
51½	21½	*2.00	Universal Leaf Tobacco	46	43¼
36¼	7⅝	—	Vanadium	28⅝	28⅝
9¼	1	—	Warner Bros. Pictures	8	7⅞
58⅜	19⅜	—	Westinghouse E. & M.	46½	45½
53½	25½	2.40	Woolworth	53½	53½

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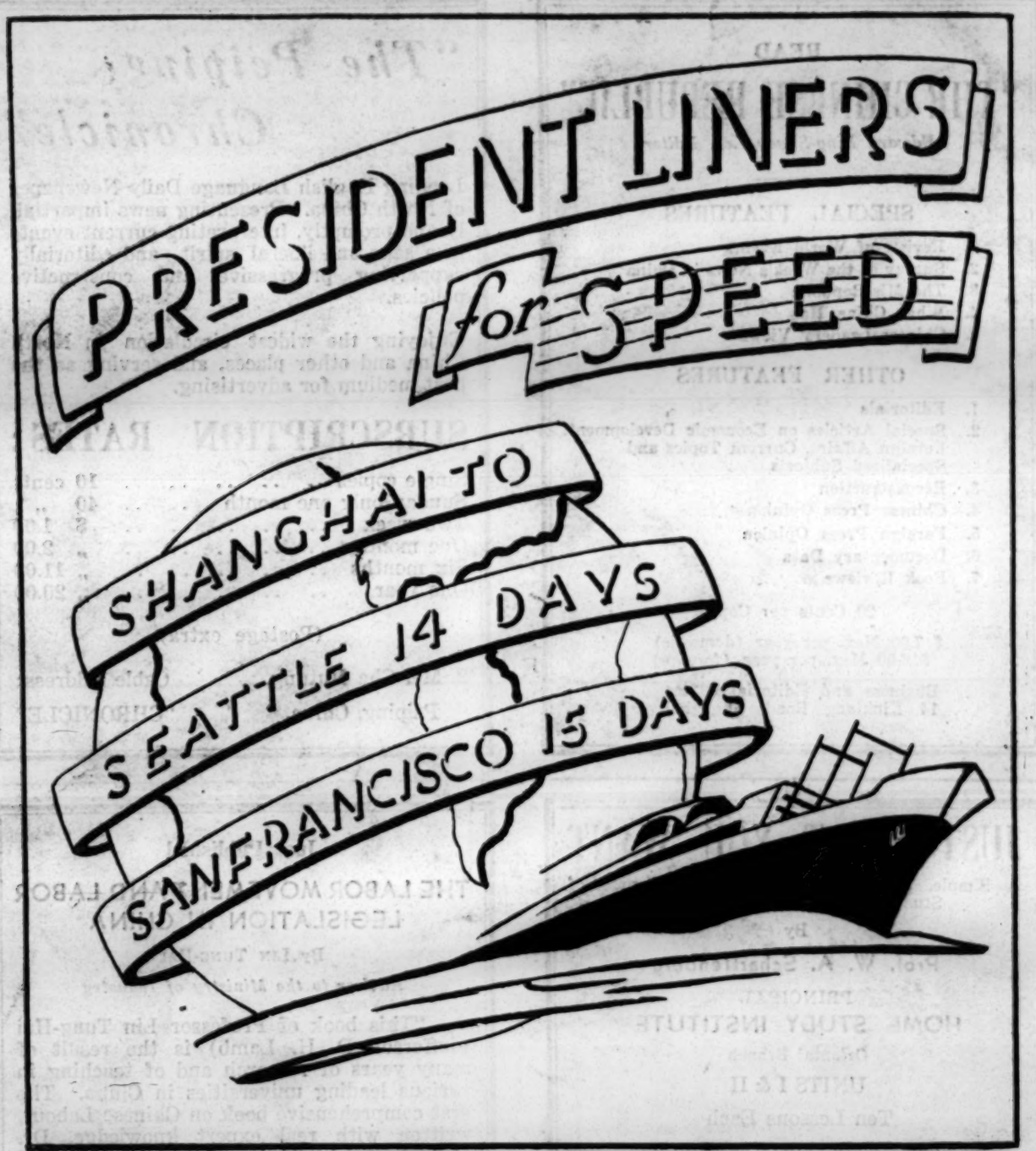

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